

Company Number: 09356546

ASOS VENTURES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



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FOR THE YEAR ENDED 31 AUGUST 2021

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ASOS VENTURES LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2021

DIRECTORS:

M Dunn
A Suchopar

SECRETARY:

A Suchopar

REGISTERED OFFICE:

Greater London House Ground Floor
Hampstead Road
London
NW1 7FB

COMPANY NUMBER:

09356546 (England and Wales)

INDEPENDENT AUDITORS:

PricewaterhouseCoopers LLP
40 Clarendon Road
Watford
Hertfordshire
WD17 1JJ
United Kingdom

ASOS VENTURES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Directors submit their report and the audited financial statements of ASOS Ventures Limited (the "Company") for the year ended 31 August 2021.

DIRECTORS

The Directors during the year ended 31 August 2021 and up to the date of signing the financial statements were:

N Beighton (resigned on 11 October 2021)
M Dunn
A Suchopar

COMPANY INFORMATION

The Company is incorporated and domiciled in England and Wales, and is a private company limited by shares and a wholly owned subsidiary of ASOS Intermediate Holdings Limited, a company registered in England and Wales. The ultimate parent company is ASOS Plc.

The Directors' report has been prepared taking advantage of the small companies exemption in accordance with section 415A of the Companies Act 2006. The Directors have also taken advantage of the exemption available to small companies under section 414B of the Companies Act 2006, and consequently no strategic report has been prepared.

PRINCIPAL ACTIVITIES AND FUTURE DEVELOPMENT

The Company's principal activity is the investment in capital projects and companies which align with the ASOS Plc Group's retail objectives. This will not change in the foreseeable future.

RESULTS AND DIVIDENDS

Company profit for the financial year ended 31 August 2021 was £162,695 (2020: loss of £129). The Directors do not recommend the payment of a dividend for the year ended 31 August 2021 (2020: £nil).

DIRECTORS' INDEMNITIES

The Company maintained liability insurance for its Directors and Officers during the year under review and up to the date of signing the financial statements. This is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

GOING CONCERN

The Directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of ASOS Plc. The Directors have received confirmation that ASOS Plc intends to support the Company for at least 12 months from the date these financial statements are approved.

FINANCIAL RISK MANAGEMENT

The Company's Treasury's function seeks to reduce exposures to capital, liquidity, credit, interest rate and foreign currency risk, to ensure liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The Company does not engage in speculative trading in financial instruments and transacts only in relation to underlying business requirements.

ASOS VENTURES LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the 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.

Directors' confirmations

In the case of each Director in office at the date the Directors' Report is approved:

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

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP, having indicated its willingness to continue in office, will be deemed to be reappointed as independent auditors under section 487(2) of the Companies Act 2006.

This report was approved by the Board on 15 December 2021.

On behalf of the Board



M Dunn
Director

ASOS VENTURES LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASOS VENTURES LIMITED
FOR THE YEAR ENDED 31 AUGUST 2021

Report on the audit of the financial statements

Opinion

In our opinion, ASOS Ventures Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 August 2021; the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

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

ASOS VENTURES LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASOS VENTURES LIMITED
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

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

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 August 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

In preparing the financial statements, the directors are responsible for assessing the 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.

ASOS VENTURES LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASOS VENTURES LIMITED
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Auditors' responsibilities for the audit of the financial statements

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

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

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

- Identifying and testing journal entries based on our risk assessment, in particular any journal entries posted with unusual account combinations or posted by senior management;
- Evaluating whether there was evidence of management bias within estimates and judgements;
- Enquiry of management around actual and potential litigation and claims;
- Testing over disposal transaction including verification of gain on sale of investment;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing the financial statement disclosures and testing these to supporting documentation to assess compliance with applicable laws and regulations.

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

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

Use of this report

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

ASOS VENTURES LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASOS VENTURES LIMITED
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Claire Turner (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Watford
15 December 2021

ASOS VENTURES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2021

		Year ended 31 August 2021 £	Year ended 31 August 2020 £
	Note		
Other costs		(31)	(127)
Gain on sale of investments		<u>162,726</u>	<u>-</u>
Operating profit/(loss)	4	162,695	(127)
Finance expenses	5	-	(2)
Profit/(loss) before income tax		<u>162,695</u>	<u>(129)</u>
Income tax expense	6	-	-
Profit/(loss) and total comprehensive income/(expense) for the financial year		<u>162,695</u>	<u>(129)</u>

ASOS VENTURES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Called up share capital £	Accumulated losses £	Total shareholders' deficit £
At 1 September 2019		100	(256,088)	(255,988)
Loss and total comprehensive expense for the financial year		-	(129)	(129)
At 31 August 2020	10	<u>100</u>	<u>(256,217)</u>	<u>(256,117)</u>
Profit and total comprehensive income for the financial year		-	162,695	162,695
At 31 August 2021	10	<u>100</u>	<u>(93,522)</u>	<u>(93,422)</u>

ASOS VENTURES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2021

	Note	31 August 2021 £	31 August 2020 £
Fixed assets			
Investments	7	-	-
Current assets			
Trade and other receivables	8	100	100
Cash and cash equivalents		29	-
		<u>129</u>	<u>100</u>
Current liabilities			
Bank overdraft		-	(13)
Creditors: amounts falling due within one year	9	(93,551)	(256,204)
		<u>(93,551)</u>	<u>(256,217)</u>
Net current liabilities		<u>(93,422)</u>	<u>(256,117)</u>
NET LIABILITIES		<u>(93,422)</u>	<u>(256,117)</u>
Equity			
Called up share capital	10	100	100
Accumulated losses		(93,522)	(256,217)
TOTAL SHAREHOLDERS' DEFICIT		<u>(93,422)</u>	<u>(256,117)</u>

Notes 1 to 12 on pages 11 to 15 form part of the financial statements.

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

The financial statements of ASOS Ventures Limited, registered number 09356546, on pages 8 to 15, were approved by the Board of Directors and authorised for issue on 15 December 2021 and were signed on its behalf by:



M Dunn
Director

ASOS VENTURES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING CONVENTION AND BASIS OF PREPARATION

These financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ("FRS 101").

Accounting policy references are included in the relevant note throughout the financial statements and also in note 11, and represent those policies which apply to the preparation of the financial statements for the year ended 31 August 2021 under FRS 101.

The Company is a wholly-owned subsidiary of ASOS Intermediate Holdings Limited and is included in the consolidated financial statements of its ultimate parent company ASOS Plc, which are publicly available. The Company has taken advantage of the following exemptions in accordance with FRS 101:

- The requirements of IFRS 7, 'Financial Instruments: Disclosures'
- All exempted paragraphs of IAS 1, 'Presentation of financial statements'
- The requirements of IAS 7, 'Statements of cash flows'
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in estimates and errors'
- The requirements of IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group

Wherever required, the equivalent disclosures are included in the consolidated financial statements of ASOS Plc. The remaining available exemptions under FRS 101 are not relevant to the financial statements of the Company.

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The Directors' report has been prepared taking advantage of the small companies exemption in accordance with section 415A of the Companies Act 2006. The Directors have also taken advantage of the exemption available to small companies under section 414B of the Companies Act 2006, and consequently no strategic report has been prepared.

The financial statements are presented in sterling and have been prepared on a going concern basis as explained in the Directors' Report on page 2. The Directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of ASOS Plc. The Directors have received confirmation that ASOS Plc intends to support the Company for at least one year from the date these financial statements are approved.

2. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the course of preparing the financial statements, management necessarily makes estimates and judgements that affect the application of policies and reported amounts. Estimates and judgements are continually reviewed and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the current circumstances. Actual results may differ from the initial estimate or judgement and any subsequent changes are accounted for with an effect on the financial statements at the time such updated information becomes available.

There were no significant judgements or estimates during the year.

ASOS VENTURES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

3. CHANGES TO ACCOUNTING POLICY

The following new standards, and amendments to standards, have been adopted by the Company for the first time during the year commencing 1 September 2020:

- Amendments to References to the Conceptual Framework in IFRS Standards
- Amendments to IFRS 3: Business Combinations
- Amendments to IAS 1 and IAS 8: Definition of Material

The following standards have been published and are mandatory for accounting periods beginning after 1 September 2020 but have not been early adopted by the Company and could have an impact on the Company financial statements:

- Amendments to IAS 1: Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Amendments to IAS 1:
- Classification of Liabilities as Current or Non-current – Deferral of Effective Date – effective 1 January 2023
- Amendments to IFRS 3: Business Combinations – Reference to the Conceptual Framework – effective 1 January 2022
- Amendments to IAS 16: Property, Plant and Equipment – effective 1 January 2022
- Amendments to IAS 37: Provisions, Contingent Liabilities and Contingent Assets – effective 1 January 2022
- Annual Improvements to IFRS Standards 2018-2020 Cycle – 1 January 2022

The impact of new accounting standards which have been adopted for the first time during the year commencing 1 September 2020 have not had a material impact on the Company. The standards which have been published but not yet adopted are not expected to have a material impact on the Company.

4. OPERATING PROFIT/(LOSS)

The operating profit for the financial year ended 31 August 2021 was £162,695 (2020: loss of £127).

On 8 February 2021, the investment in 'Trackonomics Limited' was sold for total proceeds of £162,726. The investment of £95,200 had previously been impaired and had a carrying amount of £nil (2020: £nil). The reversal of the impairment and gain £67,526 has been recognised in the Statement of Comprehensive Income.

The Company had no employees during the year (2020: none) and no Directors received remuneration in respect of their services as Directors of the Company (2020: nil).

The Company's audit fees were borne by ASOS.com Limited, whose financial statements for the year ended 31 August 2021 show costs relating to the statutory audit of the ASOS group of £3,600 (2020: £3,500).

5. FINANCE EXPENSES

Finance expenses are recognised in the statement of comprehensive income as incurred.

	Year ended 31 August 2021 £	Year ended 31 August 2020 £
Interest charges	-	2

ASOS VENTURES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

6. INCOME TAX EXPENSE

See note 12 for the Company's accounting policy on taxation.

Reconciliation of tax charge

There is no charge or credit to corporation tax for the year ended 31 August 2021 (2020: £nil). The tax assessed for the year is lower (2020: higher) than the standard rate of corporation tax in the UK of 19.0% (2020: 19.0%). The tax due is £nil as at 31 August 2021 (31 August 2020: £nil).

The differences are explained below:

	Year to 31 August 2021 £	Year to 31 August 2020 £
Profit/(loss) before income tax	162,695	(129)
Profit/(loss) before income tax multiplied by the standard rate of corporation tax in the UK of 19.0% (2020: 19.0%)	30,912	(25)
Effects of:		
Non-taxable items	(30,918)	
Tax on disposal of investment	11,351	
Group relief	(11,345)	25
Total income tax expense	-	-

7. INVESTMENTS

Investments are stated at cost and are subject to review for impairment. When a review for impairment is conducted, the recoverable amount is determined based on value in use calculations prepared using management's assumptions and estimates.

On 8 February 2021, the investment in 'Trackonomics Limited' was sold for total proceeds of £162,695. The investment of £95,200 had previously been impaired and had a carrying amount of £nil (2020: £nil). The reversal of the impairment and gain £67,526 has been recognised in the Statement of Comprehensive Income.

On 11 February 2021, the investment in 'Trillanium (UK) Limited' was written off due to the company being struck-off. The carrying value of the investment held was £nil (2020: £nil).

At 31 August 2021, the Company held no investments.

8. TRADE AND OTHER RECEIVABLES

See note 12 for the Company's accounting policy on trade and other receivables.

	31 August 2021 £	31 August 2020 £
Amounts owed from group undertakings	100	100
	100	100

ASOS VENTURES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Creditors are non-interest bearing and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Amounts owed to other group undertakings are unsecured, interest free and payable on demand.

	31 August 2021	31 August 2020
	£	£
Amounts owed to other group undertakings	(93,551)	(256,204)
	<u>(93,551)</u>	<u>(256,204)</u>

10. CALLED UP SHARE CAPITAL

	31 August 2021 Number of shares	31 August 2021 Nominal value £	31 August 2020 Number of shares	31 August 2020 Nominal value £
Authorised:				
Ordinary shares at £1 each	100	100	100	100
Allotted, issued and fully paid:				
Ordinary shares at £1 each	100	100	100	100

11. CONTROLLING PARTY

The Company's ultimate parent company and controlling party is ASOS Plc, a company incorporated in England and Wales. The consolidated financial statements produced by ASOS Plc are the only financial statements in which the results of the Company are included. Copies of the consolidated financial statements can be obtained from ASOS Plc, Greater London House, Hampstead Road, London NW17FB. The company's immediate parent company is ASOS Intermediate Holdings Limited, also a company incorporated in England and Wales.

12. ACCOUNTING POLICIES

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

a) Taxation

The tax expense included in the Statement of Comprehensive Income and Statement of Changes in Equity represents current tax. Current tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the current tax is also recognised directly in equity.

Current tax is the expected tax payable based on the taxable profit/(loss) for the year, and the tax laws that have been enacted or substantively enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ASOS VENTURES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

12. ACCOUNTING POLICIES (CONTINUED)

b) Trade and other receivables

Trade receivables are non-interest bearing and are initially recognised at fair value and subsequently measured at amortised cost less an allowance for expected credit losses. Such allowances are based on an individual assessment of each receivable, which is informed by past experience, and are recognised at amounts equal to the losses expected to result from all possible default events over the life of each financial asset. Management also performs analysis on a case by case basis for particular trade receivables with irregular payment patterns or history.

Amounts owed by group undertakings are unsecured, interest free and payable on demand.