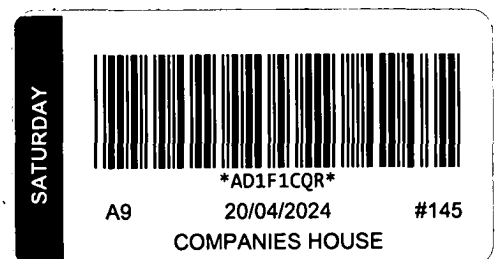


The Watch Shop Holdings Limited

Annual report and financial statements

Registered number 11640948

30 April 2023



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Company information

Directors

A Adegoke

Registered number

11640948

Registered office

Unit A
Brook Park East Road
Shirebrook
Mansfield
England
NG20 8RY

Independent auditor

Hart Shaw LLP
Europa Link
Sheffield Business Park
Sheffield
S9 1XU

Strategic report

Business review

The results of the Company are listed on page 10 show an operating loss before exceptional items £1,879,274 (2022: profit £152,512). During the period one off costs of £906,227 were incurred due to a write down of brand value considered to be of £nil net book value. For this period the statutory accounts cover a 15-month period so that the financial period end will line up with group. The Company is encouraged by The Watch Shop Holdings Limited continuing to be one of the UK's leading online retailers for online branded watches.

Financial key performance indicators

The main financial KPI for the Company is sales growth. Turnover increased in the 15-month period to £31,277,454. In the prior 9-month period turnover was £23,234,108.

Principal risks and uncertainties

Seasonality

A significant proportion of the Company's sales and operating profit is generated over the Christmas period and any disruption over this period, for example due to bad weather or interruption due to warehousing and replenishment systems, would be expected to have a material adverse effect on both sales and operating profit. The business has robust store systems and disaster recovery plans in place to mitigate any disruption.

Liquidity risk

The Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Inventory levels are regularly reviewed and managed.

Promoting the success of the company

This statement sets out how the Directors have approached and met their responsibilities under section 172 Companies Act 2006 and, in particular, how the Directors have satisfied themselves that they have acted in a way which is most likely to promote the success of the Company for the benefit of its members as a whole and having regard for stakeholders interests.

As such, the Directors have considered (amongst other things) the likely consequences of any decision in the long term. The Directors give significant consideration via the assessment of various board papers to the likely long term impact to the Company of any decisions made. It is the Directors' ultimate objective to deliver long term sustainable earnings growth.

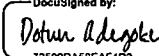
Strategic report *(continued)*

Furthermore, the Directors have considered:

- 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 business relationships with suppliers, customers and others;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the Company.

The Company is a subsidiary of Frasers Group Plc and is therefore part of the Frasers Group. The consideration of the above points is detailed in the Strategic Report of the Annual Report and Accounts of Frasers Group Plc.

This report was approved by the board and signed on its behalf.

DocuSigned by:

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A Adegoke

Director

Date: 16 April 2024

Directors' report

The directors present their report and the financial statements for the period ended 30 April 2023.

Principal activities

The principal activity of the Company during the period was retailing watches and jewellery.

Directors

The directors who served during the period and since the period end were:

A Adegoke (appointed 16th December 2022)
K Bishop (appointed 16th December 2022, resigned 6th November 2023)
P Cowgill (resigned 28th September 2022)
R Schultz (appointed 28th September 2022, resigned 16th December 2022)
R Phillips (resigned 16th December 2022)
N Greenhalgh (resigned 16th December 2022)

Results and dividends

Results for the period are set out on page 10.

The directors do not recommend the payment of a dividend.

Future Developments

The Board's strategy is to drive growth in sales and operating profit by cost saving measures and a head office restructure.

Employees

The Company regularly keeps its employees informed regarding both matters of interest to them and information about the performance of the Company. Consideration is given to the suggestions and views of employees in making management decisions and employees are encouraged to share in the profitability of the Company via performance related commission and bonus schemes.

Training programmes continue to play a key part in meeting the Company's growing requirements for skilled and professional staff and internal staff training is given high priority. It is the Company's policy that there should be no discrimination on any grounds and that equal opportunities shall be given to all employees in respect of training, career development and promotion.

Provision of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:


- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Directors' report *(continued)*

Auditor

Hart Shaw LLP was appointed as auditor during the period. The auditor will be deemed to be reappointed and Hart Shaw LLP will therefore continue in office, in accordance with section 487 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:

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A Adegoke
Director

Date: 16 April 2024

Statement of Directors' responsibilities

The directors are responsible for preparing the Strategic report, the Directors' 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 company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 The Watch Shop Holdings Limited

Opinion

We have audited the financial statements of The Watch Shop Holdings Limited (the 'Company') for the period ended 30 April 2023 which comprise the Statement of Profit and Loss Account and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2023 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 in 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.

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 strategic 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 has been prepared in accordance with applicable legal requirements.

Independent Auditor's report to the members of The Watch Shop Holdings Limited *(continued)*

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and 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, 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
- 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 set out on page 6, 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 Financial Reporting Council's website at: <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 and the audit response

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:

At the planning stage we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management, as required by auditing standards. The potential effect of any laws and regulation on the financial statements can vary considerably. There are laws and regulations that directly affect the financial statements (e.g. the Companies Act) as well as many other operational laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Owing to the size, nature and complexity of the organisation and the applicable laws and regulations to which it must adhere, the risk of material misstatement was deemed to be low, therefore the procedures performed by the audit team were limited to:

- Communicating identified laws and regulations at planning throughout the audit team to remain alert to any indications of non-compliance throughout the audit.
- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Independent Auditor's report to the members of The Watch Shop Holdings Limited *(continued)*

We have assessed the overall susceptibility of the financial statements to material misstatement due to fraud. Management override is the most common way in which fraud might present itself and is therefore inherently high risk on any audit. Management override, which may cause there to be a material misstatement within the financial statements, may present itself in a number of ways, for example:

- Override of internal controls (e.g. segregation of duties)
- Entering into transactions outside the normal course of business, especially with related parties
- Fraudulent revenue recognition, including fictitious sales and sales being recorded in the wrong period
- Presenting bias in accounting judgements and estimates, particularly the ones disclosed in "*Critical accounting estimates and judgements*" section of the accounting policies; note 1 to the financial statements.

In order to reduce the risk of material misstatement to an acceptable level, numerous audit procedures were performed including:

- Enquiries of management as to whether they had any knowledge of any actual or suspected fraud
- Review of material journal entries made throughout the period as well as those made to prepare the financial statements
- Reviewing the underlying rationale behind transactions in order to assess whether they were outside the normal course of business
- Increased substantive testing across material income streams
- Assessing whether management's judgements and estimates indicated potential bias, particularly those disclosed in "*Critical accounting estimates and judgements*" section of the accounting policies; note 1 to the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected material misstatements in the financial statements, even though we have performed our audit in accordance with auditing standards. Furthermore, as with all audits, there is a higher risk of irregularities (especially those relating to fraud) being undetected, as these may involve the override of internal controls, collusion, intentional omissions and misrepresentations etc. We are not responsible for preventing non-compliance or fraud and therefore cannot be expected to detect all instances of such. Our audit was not designed to identify misstatements or other irregularities that would not be considered to be material to the financial statements. 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.

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.

Hart Shaw LLP

Adam Shield (Senior Statutory Auditor)
 For and on behalf of Hart Shaw LLP
 Chartered Accountants, Statutory Auditor
 Europa Link, Sheffield Business Park
 Sheffield
 S9 1XU

Date: 16 April 2024

The Watch Shop Holdings Limited
Annual report and financial statements
30 April 2023

Profit and Loss Account and Other Comprehensive Income
for the period ended 30 April 2023

	<i>Note</i>	15 months to 30 April 2023 £	9 months to 30 January 2022 £
Turnover	2	31,277,454	23,234,108
Cost of sales		(19,993,064)	(14,444,682)
Gross profit		11,284,390	8,789,426
Distribution costs		(3,035,651)	(1,899,640)
Administrative expenses		(10,128,013)	(6,737,274)
Operating loss before exceptional item		(1,879,274)	152,512
Exceptional item	3	(906,227)	(694,000)
Operating loss	4	(2,785,501)	(541,488)
Interest received		21,353	427
Loss before taxation		(2,764,148)	(541,061)
Taxation	7	20,980	40,991
Loss for the financial period		(2,743,168)	(500,070)

All amounts relate to continuing operations. There was no other comprehensive income for 2023 (2022: £Nil).

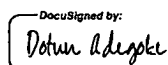
The notes on pages 13 to 20 form part of these financial statements.

The Watch Shop Holdings Limited
Annual report and financial statements
30 April 2023

Balance Sheet
as at 30 April 2023

	Note	30 April 2023		30 January 2022	
		£	£	£	£
Fixed assets					
Intangible assets	8		662,669		1,481,665
Tangible assets	9		53,587		78,706
			<u>716,256</u>		<u>1,560,371</u>
Current assets					
Stock	10	9,652,243		11,395,559	
Debtors	11	1,409,275		997,547	
Cash at bank		2,834,874		5,866,925	
		<u>13,896,392</u>		<u>18,260,031</u>	
Creditors: amounts falling due within one year	12	(1,731,672)		(4,196,258)	
		<u>12,164,720</u>		<u>14,063,773</u>	
Net current assets					
			<u>12,880,976</u>		<u>15,624,144</u>
Total assets less current liabilities					
			<u>12,880,976</u>		<u>15,624,144</u>
Net assets					
			<u>12,880,976</u>		<u>15,624,144</u>
Capital and reserves					
Called up share capital	14	16,501,001		16,501,001	
Share premium account	14	18,000		18,000	
Profit and loss account		(3,638,025)		(894,857)	
		<u>12,880,976</u>		<u>15,624,144</u>	
Shareholders' funds					
			<u>12,880,976</u>		<u>15,624,144</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

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A Adegoke

Director

Date: 16 April 2024

Company registered number: 11640948

The notes on pages 13 to 20 form part of these financial statements.

The Watch Shop Holdings Limited
Annual report and financial statements
 30 April 2023

Statement Of Changes in Equity
for the period ended 30 April 2023

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 2 May 2021	16,501,001	18,000	(394,787)	16,124,214
Loss for the period	-	-	(500,070)	(500,070)
At 30 January 2022	16,501,001	18,000	(894,857)	15,624,144
Loss for the period	-	-	(2,743,168)	(2,743,168)
At 30 April 2023	16,501,001	18,000	(3,638,025)	12,880,976

Notes To the Financial Statements *(continued)*

1 Accounting policies

General information

The Watch Shop Holdings Limited is a private company, limited by shares, incorporated, domiciled and registered in England and Wales. The registered number is 11640948 and the registered address is Unit A, Brook Park East, Shirebrook, Mansfield, England, NG20 8RY.

At the year end the Company's ultimate parent undertaking, Frasers Group PLC, a public limited company in the UK, includes the Company in its consolidated financial statements. The consolidated financial statements of Frasers Group PLC are available to the public and may be obtained from Companies House.

In these financial statements, the Company is considered to be a qualifying entity (for the purpose of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to the end of the period.
- Cash Flow Statement and related notes.
- Key Management Personnel compensation.

Basis of preparation of financial statements

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

The Company's functional and presentational currency is GBP.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Reporting period

The Company has changed its financial year end from 30 January to 30 April to align with the group reporting date. The comparative period is the 9 months to 30 January 2022. The financial statements are therefore for the 15 month period ended 30 April 2023 and as such, the prior year figures are not entirely comparable.

Going concern

In determining the appropriate basis of preparation of financial statements, the Directors are required to consider whether the Company can continue in operational existence for the foreseeable future.

Having reviewed the current cash flow projections, and having made reasonable enquiries in making the underlying key assumptions on sales growth, the Directors have a reasonable expectation that the Company will be able to meet its liabilities as they fall due for the foreseeable future. It is on this basis that the Directors consider it appropriate to prepare the financial statements on the going concern basis.

Turnover

Turnover comprises revenue recognised by the company in respect of goods supplied during the year, exclusive of value added tax and trade discounts.

Notes To the Financial Statements *(continued)*

1 Accounting policies *(continued)*

Intangible fixed assets and amortisation

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

Brand	- 10 years straight line
Technology	- 7 years straight line
Web Design	- 3 years straight line

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	- 5 years straight line
Equipment	- 3 years straight line

Stock

Stock are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stock.

Stock held on 'sale or return' are recognised within stock and trade creditors when sufficient risks and rewards are transferred to the company.

Leasing commitments

Rentals in respect of operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

Debtors and Creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Taxation

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

Cash and liquid resources

Cash, for the purpose of the financial statements, comprises cash in hand and credit card receipts in transit at the year end.

Notes To the Financial Statements *(continued)*

1 Accounting policies *(continued)*

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

Key estimates and judgements

In the application of the company'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.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing material adjustment to the carrying amount of assets and liabilities are as follows:

Impairment of fixed assets – assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2 Turnover

The whole of the turnover is attributable to the sale of watches and jewellery through its website.

Sales split by country – UK 93%, Europe 6%, Rest of world 1% (2022 – UK 92%, Europe 7%, Rest of world 1%)

3 Exceptional item

	15 months to 30 April 2023	9 months to 30 January 2022
	£	£
Professional fees	-	694,000
Intangible asset write off	906,227	-

Intangible asset write off costs are associated with the write down of brand value considered to be of £nil carrying value.

Notes To the Financial Statements *(continued)*

4 Operating (loss)/profit

	15 months to 30 April 2023 £	9 months to 30 January 2022 £
Amortisation of intangible assets	476,265	575,545
Intangible asset write off	906,227	-
Depreciation of tangible fixed assets - owned by the Company	49,977	24,415
Difference on foreign exchange	9,163	8,615
Operating lease charges	357,680	357,680
<i>Auditor's remuneration:</i>		
Audit of these financial statements	26,000	33,000
	<u> </u>	<u> </u>

5 Staff numbers and costs

	15 months to 30 April 2023 £	9 months to 30 January 2022 £
<i>Staff costs, including directors' remuneration, were as follows:</i>		
Wages and salaries	2,856,296	1,761,831
Social security costs	306,077	174,641
Other pension costs	89,299	59,726
	<u> </u>	<u> </u>
	3,251,672	1,996,198
	<u> </u>	<u> </u>

The average monthly number of employees, including the directors, during the period was as follows:

	15 months to 30 April 2023 Number	9 months to 30 January 2022 Number
Employees including directors	68	80
	<u> </u>	<u> </u>

6 Directors' remuneration

	15 months to 30 April 2023 £	9 months to 30 January 2022 £
Emoluments	249,862	205,388
	<u> </u>	<u> </u>

The highest paid director received remuneration of £249,862 (2022: £205,388). The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £Nil (2022 - £Nil)

Notes To the Financial Statements *(continued)*

7 Taxation

Analysis of tax charge in the year

	15 months to 30 April 2023 £	9 months to 30 January 2022 £
<i>Current tax:</i>		
UK corporation tax charge on loss for the period	-	13,921
Adjustments in respect of prior periods	(13,921)	-
Total current tax	(13,921)	13,921
<i>Deferred tax:</i>		
Origination and reversal of timing differences	2,611	1,990
Adjustments in respect of previous periods	(10,424)	(56,902)
Tax rate changes	754	-
Total deferred tax	(7,059)	(54,912)
Tax on loss on ordinary activities	(20,980)	(40,991)

Factors affecting tax charge for the year

The current tax assessed for the year is 19.40% (2022: 19.00%) The current tax assessed for the year is lower than (2022: lower than) the standard rate of corporation tax in the UK of 25.00% (2022: 19.00%). The differences are explained below:

	15 months to 30 April 2023 £	9 months to 30 January 2022 £
Loss before tax	(2,764,148)	(541,061)
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19.40% (2020: 19.00%)	(536,245)	(102,802)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	199,020	131,892
Non-taxable income	(407)	-
Non-qualifying depreciation	1,993	-
Adjustments in respect of previous periods	(13,921)	(56,902)
Group relief	327,826	-
Tax rate changes	754	(13,179)
Current tax (credit)/charge for the period	(20,980)	(40,991)

Factors that may affect future tax charges

In the Budget on 3 March 2021, the UK government announced an increase in the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021. Deferred tax has been calculated at 25% which was the tax rate substantively enacted at the reporting date.

Notes To the Financial Statements *(continued)*

8 Intangible fixed assets

	Brand £	Technology £	Web design £	Total £
<i>Cost:</i>				
At 30 January 2022	2,017,084	524,501	1,321,113	3,862,698
Additions	-	-	563,496	563,496
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 April 2023	2,017,084	524,501	1,884,609	4,426,194
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Accumulated amortisation:</i>				
At 30 January 2022	1,110,857	524,501	745,675	2,381,033
Charge for the period	-	-	476,265	476,265
Impairment	906,227	-	-	906,227
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 April 2023	2,017,084	524,501	1,221,940	3,763,525
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value:</i>				
At 30 April 2023	-	-	662,669	662,669
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 January 2022	906,227	-	575,438	1,481,665
	<hr/>	<hr/>	<hr/>	<hr/>

9 Tangible fixed assets

	Leasehold property £	Equipment £	Total £
<i>Cost:</i>			
At 30 January 2022	98,117	102,919	201,036
Additions	14,247	10,612	24,859
	<hr/>	<hr/>	<hr/>
At 30 April 2023	112,364	113,531	225,895
	<hr/>	<hr/>	<hr/>
<i>Accumulated depreciation:</i>			
At 30 January 2022	77,180	45,150	122,330
Charge for the period	10,277	39,701	49,978
	<hr/>	<hr/>	<hr/>
At 30 April 2023	87,457	84,851	172,308
	<hr/>	<hr/>	<hr/>
<i>Net book value:</i>			
At 30 April 2023	24,907	28,680	53,587
	<hr/>	<hr/>	<hr/>
At 30 January 2022	20,937	57,769	78,706
	<hr/>	<hr/>	<hr/>

Notes To the Financial Statements *(continued)*

10 Stock

	30 Apr 2023 £	30 Jan 2022 £
Finished goods	9,652,243	11,395,559

Included within the value of stocks is a write down provision of £118,951 (2022 - £88,019).

11 Debtors

	30 Apr 2023 £	30 Jan 2022 £
Trade debtors	268,370	79,532
Other debtors	44,522	74,000
Prepayments & accrued income	451,042	789,103
Amounts due from group companies	583,370	-
Deferred tax asset (see note 13)	61,971	54,912
	<u>1,409,275</u>	<u>997,547</u>

All amounts are due within one year.

Amounts owed by group companies are unsecured, repayable on demand and are not subject to interest.

12 Creditors: amounts falling due within one year

	30 Apr 2023 £	30 Jan 2022 £
Trade creditors	736,476	2,047,360
Social security and other taxes	464,315	1,269,532
Corporation tax	-	13,921
Other creditors	215,958	263,398
Accruals and deferred income	250,708	537,832
Amounts owed to group undertakings	64,215	64,215
	<u>1,731,672</u>	<u>4,196,258</u>

13 Deferred taxation

	30 Apr 2023 £	30 Jan 2022 £
At beginning of period	(54,912)	-
Credited to profit or loss	(7,059)	(54,912)
	<u>(61,971)</u>	<u>(54,912)</u>

The Company has an unprovided deferred tax asset of £nil (2022: nil). All the deferred tax asset relates to decelerated capital allowances.

Notes To the Financial Statements *(continued)*

14 Share capital

	30 Apr 2023 £	30 Jan 2022 £
<i>Allotted, called up and fully paid:</i>		
16,501,001 Ordinary shares of £1 each	16,501,001	16,500,001
1,000 B Shares of £1 each	-	1,000
	<u>16,501,001</u>	<u>16,501,001</u>

On 25 April 2022, following a special resolution being passed, 1,000 B Ordinary Shares of £1 each were redesignated as 1,000 Ordinary shares of £1 each.

15 Pensions commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge amounted to £89,299 (2022: £59,726). There were outstanding contributions totalling £14,169 (2022: £14,943) at the end of the financial period.

16 Operating lease commitments

At 30 April 2023, the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 30 Apr 2023 £	Land and buildings 30 Jan 2022 £
<i>Expiry date:</i>		
Within one year	265,227	357,680
Between two and five years	295,688	450,334
	<u>560,915</u>	<u>808,014</u>

17 Related party transactions

During the period, the Company made sales of £505,199 (2022 - £nil) to Tessuti Limited at cost, it also made sales for commission of £44,000. Tessuti Limited is a company which was partly owned by the group throughout the period. At the period end, Tessuti Limited was a wholly owned subsidiary of Frasers Group plc.

The Company was a wholly owned subsidiary of Frasers Group Plc, the Company has taken advantage of the exemption contained in FRS102.33.1A and has therefore not disclosed transactions or balances with wholly owned entities which form part of that group.

18 Ultimate Controlling party

The ultimate controlling party is M J W Ashley, by virtue of his 100% ownership of MASH Holdings Limited, the ultimate parent company. MASH Holdings Limited indirectly holds the majority of shares in Frasers Group plc, who own 100% of the share capital of SDI (Retail Co 14) Limited (the intermediate parent company). SDI (Retail Co 14) Limited own 100% of the share capital of WHCO Limited (the immediate parent company).

Frasers Group plc is the smallest company and MASH Holdings Limited is the largest company to consolidate these accounts. Both Frasers Group plc and MASH Holdings Limited are companies registered in England and Wales. A copy of the group accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.