

Company Registration No. 06639057 (England and Wales)

ProCook Limited

**Annual report and
group financial statements
for the period ended 4 April 2021**



ProCook Limited

Company information

Directors	Daniel O'Neill Sarah O'Neill
Company number	06639057
Registered office	ProCook Davy Way Waterwells Gloucester GL2 2BY
Independent auditor	Saffery Champness LLP St Catherine's Court Berkeley Place Clifton Bristol BS8 1BQ

ProCook Limited

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ProCook Limited**Strategic report****For the period ended 4 April 2021**

The directors present the strategic report for the period ended 4 April 2021.

	2021		2020
	Group		Group
	£	+/-%	£
Turnover	53,465,352	37%	38,954,124
Cost of Sales	(16,775,265)	24%	(13,497,555)
Gross Profit	36,690,087	44%	25,456,569
	68.6%	5%	65.4%
Direct Costs	(17,938,832)	1%	(17,597,391)
HO & Other Costs	(6,998,321)	56%	(4,480,182)
Total Costs	(24,937,153)	13%	(22,077,573)
	-46.6%	-18%	-56.7%
Underlying EBITDA	11,752,934	248%	3,378,996
	22.0%		8.7%
Net depreciation	(930,404)	41%	(658,991)
Profit / (Loss) on Disposal	791,212	-3072%	(26,622)
Interest	(89,576)	-63%	(241,196)
Foreign exchange gains/(losses)	(1,033,330)	497%	(173,077)
Other non-recurring costs	(460,742)	-26%	(620,772)
Profit Before Tax	10,030,094	505%	1,658,338
	18.8%		4.3%

Performance Highlights

The disruption to the retail sector over the last 12 months, as a result of the Covid-19 pandemic, and the impact of Brexit on imports and exports, has been both widespread and well documented. Our priority has been to protect our customers and colleagues, whilst providing a seamless retail experience as highlighted by our "excellent" rated Trustpilot review scores.

ProCook has successfully navigated the challenges of the last twelve months, whilst continuing to grow the customer base and increase awareness of the brand. With the retail estate closed for approximately half of the last financial year, ProCook was able to quickly adapt to the rapid shift of customer demand towards online sales channels, thanks to the well-established and flexible multichannel model supported by high levels of customer service.

During the year, ProCook has taken proactive steps to reduce its impact on the environment and to support the communities in which it operates. The Directors are pleased with progress in this area, with a significant reduction in CO₂e (emissions) achieved. Additionally, ProCook was pleased to support schools and the NHS with provision of laptops for home learning, and reusable water bottles for nurses respectively, amongst other initiatives during the Covid-19 pandemic

1. Turnover

Total turnover increased 37% compared with the previous year to £53.5m (FY20 growth: +40%), with a pronounced shift in sales mix towards our online channels as our retail estate experienced significant restrictions and long periods of closure.

2. Gross Profit

Gross profit increased 44% driven by higher turnover year on year, and an increase in margins. The gross margin of 68.6% (+320bps vs FY20) marks the return to more normal margins, as the acquired Steamer Trading stock clearance activities came to an end during FY20, complimented by increased scale benefits and work done with suppliers to reduced product costs. As we enter the new financial year there are both cost pressures (freight, raw materials and labour) as well as benefits (foreign exchange, scale, design) which are at play and will be closely managed over the months ahead.

3. Administrative Expenses

Direct costs increased by £0.4m. Head Office and other costs grew by 56% compared to the previous year, reflecting the investment in people and capability required to continue to grow the business. Also included within the cost increase are new brand marketing campaign investments made by ProCook and a significantly higher level of employee bonuses reflecting both the strong results achieved, and the extraordinary dedication and commitment shown by our People throughout such a challenging year.

4. Contribution

Contribution, defined as Gross Profit less Direct Costs, increased year on year from £7.9m in FY20 to £18.8m in FY21 driven by revenue growth, margin improvements and favourable channel mix.

5. *Underlying EBITDA*

As a result of the significant growth in sales, improvement in margins and shift towards online sales channels, and after the growth in administrative expenses, underlying EBITDA increased to £11.8m (FY20: £3.4m).

6. *Profit before tax*

After depreciation and non-recurring expenditure and financing costs, there was a 505% increase in profit before tax to £10.03m. Non-recurring costs included expenditure on redundancy costs, prior year adjustments and store layout changes. Foreign exchange costs of £1.0m related to the foreign currency hedged positions held at the balance sheet date (£0.9m) and other foreign exchange costs (£0.1m).

7. *Free Cash Flow*

Free cash flow, defined as operating cash flows less cash used in investment activities, was £7.9m (FY20: £964k), benefitting from stronger business performance and the sale and leaseback of the distribution centre and head office site in FY21.

8. *Net Cash / Net Debt*

At the year end, the net cash position (defined as cash less bank borrowings) was £3.1m, a +£6.7m increase on the position as at the prior year end.

Principal Risks and Uncertainties

ProCook proactively manages the risks and uncertainties it faces as a key part of its strategic and operational activities. The directors consider the following items to be the key risks which the Group is exposed to, and believe that the risks are well mitigated by the actions that have been taken and the procedures and ways of working that have been developed.

1. *Covid-19 (and other future health pandemics)*

The Covid-19 pandemic has created significant challenges for companies, given its widespread adverse global economic, as well social and operational impacts, the longer-term effects of which are continuing to unfold. ProCook continues to monitor the effects of the Covid-19 pandemic on its business and the economies of the countries where the Group operates and has plans in place to adjust its operations rapidly should the need arise.

2. *Consumer confidence and market conditions*

ProCook's business is influenced by economic conditions that impact consumer spending. These could affect the level of consumer spending, being impacted factors such as the state of the economy as a whole, interest rates, exchange rates, inflation, political uncertainty, tax increases, and unemployment. ProCook carefully monitors economic indicators and has the ability to flex its proposition where appropriate.

3. *IT systems*

ProCook relies to on its IT systems to, among other things, track inventory, manage its supply chain, record and process transactions, and summarise its performance results. The IT systems could be subject to damage and/or interruption from events such as loss of power, network failures, viruses, and security breaches. In recent years, the Group has implemented multiple modifications and upgrades to its systems, including its ecommerce platforms to enhance stability and resilience. The Group plans to continue to invest in its IT infrastructure over the years ahead.

4. *Cyber security*

The Group relies on systems and websites that allow for the secure storage and transmission of proprietary or confidential information regarding its consumers, customers, suppliers and employees. As the Group's ecommerce channel continues to increase in importance to the Group's results of operations, this risk has increased and will continue to do so. ProCook has developed business continuity plans and strategies, as well as advanced its security capabilities, and it will continue to invest in and develop these capabilities.

5. *Brand, image and reputation*

The Group's business and financial performance is closely linked to the image, perception and recognition of the ProCook brand. Negative claims or publicity involving the Group could damage reputation and brand image, regardless of whether such claims or publicity are accurate. ProCook manages its brand perception and image very closely and has its own PR expertise as well as third party PR agency support to help mitigate this risk.

6. *Loss of key personnel*

The success of the Group relies on the continued service and expertise of its senior management and technical personnel, and on its ability to continue to attract, motivate and retain highly qualified employees. The Group's People team monitor this area, and have a range of engagement activities ongoing to support our people and to develop and retain talent.

7. *Supply chain (inbound)*

Wherever possible, the Group sources products from multiple suppliers as one or more of the Group's suppliers may be unable to supply, or decide to cease supplying, or they may increase prices significantly. The Group's supply chain could be affected by a number of other factors, including, economic or political events in countries where its suppliers are located, increases in shipping costs, manufacturing and transportation delays and interruptions. The Group has longstanding relationships it has developed with suppliers which it carefully manages, and takes proactive actions to ensure the supply chain risks (such as freight) are mitigated as best as possible.

8. *Lack of cash liquidity to meet working capital obligations*

The Group's ability to grow and adapt its business is dependent on the availability of funds to meet business needs. ProCook has strong relationships with its banking partners and monitors cash and cash flow projections carefully to mitigate this risk.

Key Performance Indicators

The Directors monitor the performance and position of the business across a range of indicators throughout the year. The primary measures which are considered by the Directors to be Key Performance Indicators are:

- Sales growth year on year
- Gross profit margin %
- Contribution margin £ and % (Gross Profit less Direct Costs)
- Underlying EBITDA £ and % (year on year)
- Free cash flow (operating cash flow less cash used in investment activities)
- Net Cash / Net Debt position

Future Outlook

The Directors are enthused by the opportunities we see ahead of us to grow our customer base in the UK, to develop our ranges and product offer, and to progress with our expansion into new markets. The wider economic and political context remains uncertain particularly with regard to timing of the easing of Covid-19 restrictions and the impact that may have on the ProCook customer proposition, however the Directors remain confident in the flexibility and resilience of ProCook's business model and look forward to serving our customers over the year ahead.

Section 172 statement

The Companies Act 2006 sets out a number of general duties which directors owe to the company. New legislation has been introduced to help shareholders better understand how directors have discharged their duty to promote the success of the company, while having regard to the matters set out in section 172(1)(a) to (f).

The Board of Directors welcomes the new reporting requirement as an opportunity to explain how it acts to promote the success of the Group for the benefit of its members as a whole throughout the financial year ending 4 April 2021.

The Directors' role in decision making

The Directors fulfil their duties to act in good faith and promote the success of the Group for all stakeholders through its development and implementation of ProCook's strategy which has the following overarching objective "to supply cookware and kitchenware of an outstanding level of quality and design, saving up to 50% off other leading brands".

The strategy is broken down into a range of activities or initiatives, which are led and implemented by senior management. The Directors actively participate in strategy development and its subsequent delivery throughout the year, considering the impact on a range of stakeholders including customers, suppliers, employees, regulatory bodies, and wider society. Furthermore, the Directors have an active role in day-to-day operational decision making and driving improved performance.

Key examples where the Directors' decision-making input in the last financial year include:

- Response to Covid-19 pandemic, ensuring colleagues and customers are well protected in light of the health risks, and that the business is sustainable as a going concern ensuring a robust balance sheet and cash position
- Responding to Brexit, particularly in light of sales to European customers, planning for a new warehousing capability on the European continent and making arrangements to ensure compliance with regulatory procedures such as Import Duties and VAT

How the Directors have regard for employees, other stakeholders and the community and environment:

ProCook's employees are fundamental to its ongoing success, and their importance is recognised by the Directors with significant time and investment made in them. As a Living Wage employer, the Directors promote fair pay and reward at all levels and are committed to creating roles, experiences, training, and promotion opportunities which enable colleagues to grow and develop.

Customers and suppliers are key external stakeholders with whom the Directors listen to and interact with on an ongoing basis. Data collection and the monitoring of performance is a critical element of this to ensure relationships are nurtured and developed for the long term, whilst maintaining a high standard of business conduct between all parties and delivering an excellent rated (Trustpilot) customer proposition.

The Directors are committed to taking positive actions to help protect the environment and give back to the communities ProCook operates in. During the Covid-19 pandemic, the Directors facilitated the provision of laptops (free of charge) to local schools to support home learning by children who could not attend school. The Directors also appointed an ESG Director to increase focus and drive forward our corporate social responsibility agenda.

How the Directors ensure the engagement and fostering of strong relationships with key stakeholders

Customers	Employees	Regulatory bodies	Partners	Society
• Interactions in our stores and call centre	• Senior management visibility and accessibility	• Provision of economic data & survey responses	• Industry events and memberships	• Charitable activities supporting Life's a Beach
• Gather / monitor service and product feedback	• Engagement surveys and action planning	• Frequent open interaction with HMRC	• Supplier workshops and meetings	• Social media interaction and recipe guides
• Engage via various media forms	• Business comms & newsletters	• Job creation and tax revenue generation	• Frequent interaction around new product development	• Local community support e.g., Laptops for local schools during Covid-19

On behalf of the board:

Daniel O'Neill
Director

19/08/2021

Date

ProCook Limited

Directors' report

For the period ended 4 April 2021

The directors present their annual report and financial statements for the period ended 4 April 2021.

Principal activities

The principal activity of the company and group continued to be that of retail of cookware and related products.

Directors

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

Daniel O'Neill

Sarah O'Neill

Results and dividends

The results for the period are set out on page 18.

Ordinary dividends were paid amounting to £1,450,000. The directors do not recommend payment of a further dividend.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the group continues and that the appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the company's performance.

Auditor

Saffery Champness LLP have expressed their willingness to remain in office as auditors of the company.

Statement of disclosure to auditor

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

ProCook Limited

Directors' report (continued)

For the period ended 4 April 2021

Streamlined Energy and Carbon Reporting

In compliance with the SECR regulation, the group reports below on its energy usage for the period ended 4 April 2021.

Summary for the period ended 4 April 2021 – Procook Group

	2020-21		2019-20	
	KWh	Tonnes CO ₂ e	KWh	Tonnes CO ₂ e
Scope 1 – Direct Emissions				
Fuel use from transport (*)	670,747	163.9	2,154,762	526.9
Combustion of natural gas	74,866	13.8	263,820	48.5
Scope 2 – Indirect Emissions				
Electricity purchased and used for operations	1,080,729	252.0	1,722,265	440.2
Scope 3 – Other indirect emissions				
Energy use from rental cars	2,571	0.6	4,188	1.0
Total Energy Usage	1,828,913	430.3	4,145,035	1,016.6
Average no. of staff (not FTE)	559		550	
Intensity Metric				
Tonnes of CO ₂ e per staff member		0.77		1.85

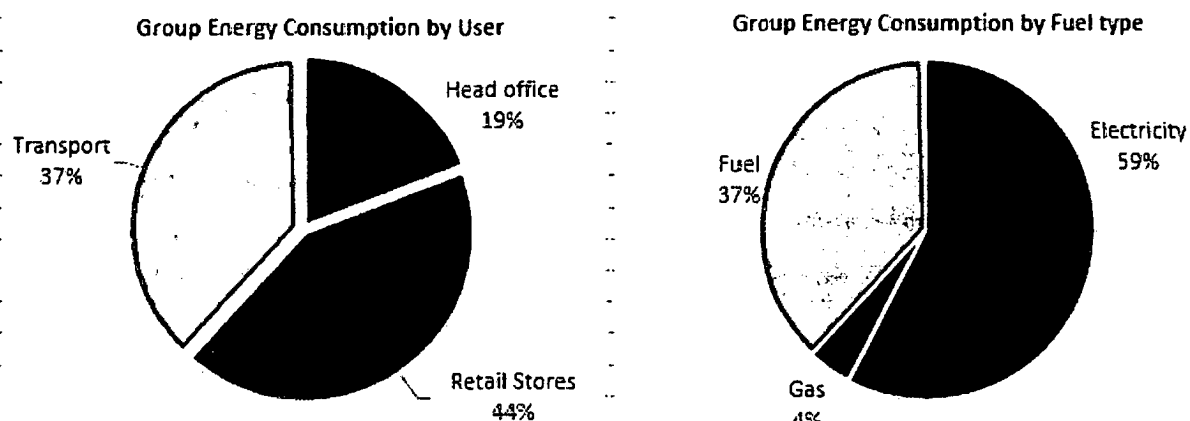
(*) - where the journey begins or ends in the UK

Summary for the period ended 4th April 2021 – Company

	2020-21		2019-20	
	KWh	Tonnes CO ₂ e	KWh	Tonnes CO ₂ e
Scope 1 – Direct Emissions				
Fuel use from transport (*)	546,772	133.5	1,222,256	299.0
Combustion of natural gas	21,563	4.0	21,735	4.0
Scope 2 – Indirect Emissions				
Electricity purchased and used for operations	799,324	186.3	1,049,785	268.3
Scope 3 – Other indirect emissions				
Energy use from rental cars	276	0.1	2,792	0.7
Total Energy Usage	1,367,935	324.0	2,296,568	572.0
Average no. of staff (not FTE)	463		390	
Intensity Metric				
Tonnes of CO ₂ e per staff member		0.70		1.47

(*) - where the journey begins or ends in the UK

Pictorial Summary of energy consumption for the group



Methodologies used in the calculations

A) Scope 1 – Direct Emissions – KWh calculation for fuel use

Fuel Use from Transport – Information from mileage claims and fuel card purchased throughout the year was used to calculate total miles. This was converted to Kwh assuming the standard conversion factors below. If the type of car was unknown, it was assumed to be a medium-sized diesel car.

Figure 1 – Conversion factors used in the calculations

Diesel		
Miles to litres	1.32	per average UK diesel cost 2019
Litres to kWh	10.63	As per Gov.UK Conversion Factors 2020
Petrol		
Miles to litres	1.25	As per average UK petrol cost 2019
Litres to kWh	9.46	As per Gov.UK Conversion Factors 2020

B) Scope 1 and Scope 2 – KWh calculations for electricity used and gas combusted

Actual meter readings were used for all stores, and (where necessary) an accrual estimated for outstanding periods at the year end.

C) CO₂e calculations

The published 2020 government conversion factors were used as follows:

Description	Unit	Kg CO ₂ e
Electricity generated	KwH	0.23314
Natural gas (gross CV)	KwH	0.18455
Diesel (average biofuel blend, gross CV)	KwH	0.24057
Petrol (average biofuel blend, gross CV)	KwH	0.22920

Report on Energy Efficiency and carbon emissions

Store refurbishments throughout this period continued to use low energy LED lighting throughout and occupancy sensors in back-of-house areas. HVAC installations were all electric and temperature variation by occupants was capped to reduce energy consumption.

The move of the car fleet from diesel to electric continues, with further research into the options open to the business taking place during the year. Major gains will be achieved in 2021-2022, with 55% of the fleet due to be replaced by battery electric vehicles by 1st July, projected to be reach 75% by the end of the 2021-22 financial year.

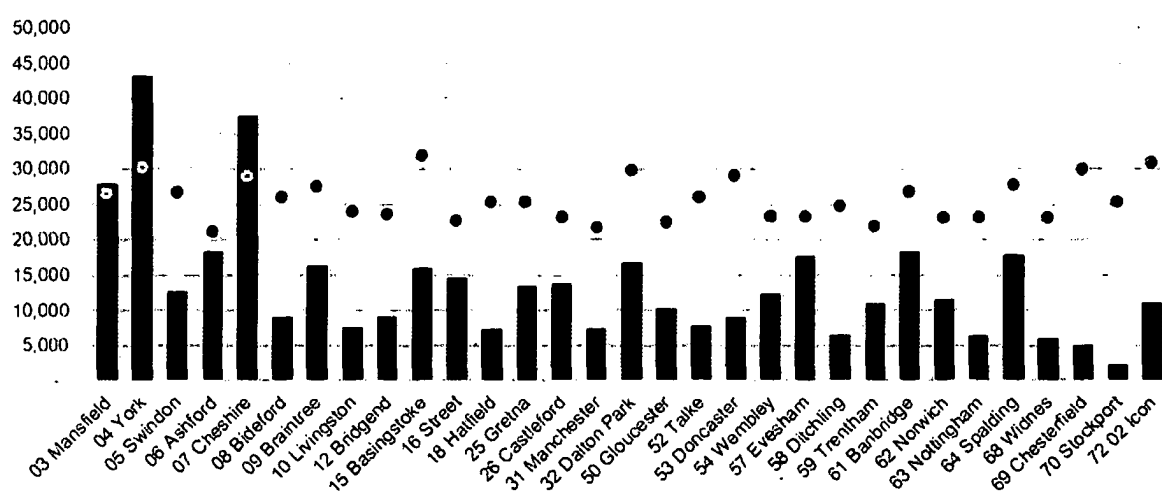
As a result of their report, there has been some investigation into the use of solar panels, but this is still at the enquiry stage at present. Other recommendations are being reviewed and will be implemented where viable.

Overall, the company remains proactively committed to reducing its carbon footprint through its policies and to achieving maximum energy efficiency in its stores and head office.

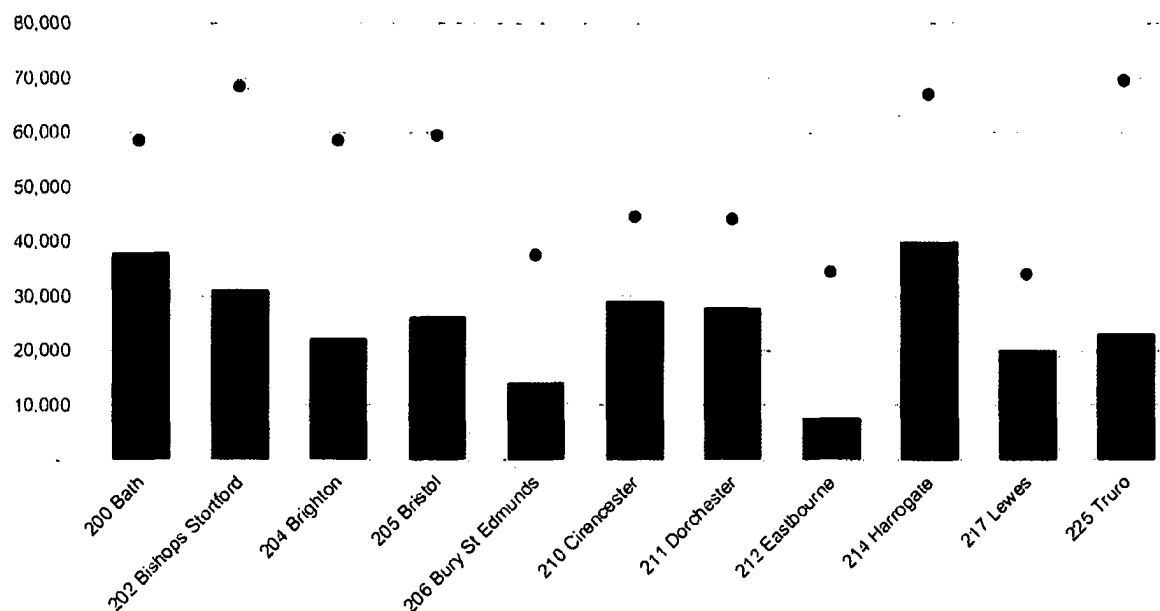
As last year, a comparison was made for energy use against the TM46 benchmark for each store, showing lower usage this year due to the period of time the stores were closed in the lockdowns.

TM 46 benchmarks are indicated by the dots on the graphs below.

Total Electricity vs TM46 Benchmark - Procook stores



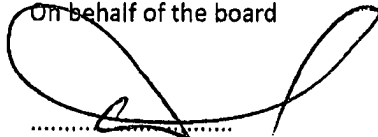
Total Electricity vs TM46 Benchmark - High Street stores



ProCook Limited

Directors' report (continued)
For the period ended 4 April 2021

On behalf of the board



.....
Daniel O'Neill
Director

19/08/2021
.....
Date

**Directors' responsibilities statement
For the period ended 4 April 2021**

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

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

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

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

ProCook Limited

Independent auditor's report To the members of ProCook Limited

Opinion

We have audited the financial statements of ProCook Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 4 April 2021 which comprise the group income statement, the group statement of comprehensive income, the group statement of financial position, the company statement of financial position, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and of the parent company's affairs as at 4 April 2021 and of the group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

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

Independent auditor's report (continued)
To the members of ProCook Limited

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the group and parent company 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.

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

Identifying and assessing risks related to irregularities:

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

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

Audit response to risks identified

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

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

ProCook Limited

Independent auditor's report (continued)
To the members of ProCook Limited

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Neil Davies (Senior Statutory Auditor)
For and on behalf of Saffery Champness LLP

Date:.....19/08/2021

Chartered Accountants
Statutory Auditors

St Catherine's Court
Berkeley Place
Clifton
Bristol
BS8 1BQ

ProCook Limited

**Group income statement
For the period ended 4 April 2021**

		Period ended 4 April 2021 £	Period ended 29 March 2020 £
	Notes		
Turnover	4	53,465,352	38,954,124
Cost of sales		(16,775,265)	(13,497,555)
Gross profit		36,690,087	25,456,569
Administrative expenses		(28,469,530)	(23,417,078)
Other operating income		2,847,858	33,120
Operating profit	6	11,068,415	2,072,611
Interest payable and similar expenses	9	(89,575)	(241,196)
Other gains and losses	10	(948,746)	(173,077)
Profit before taxation		10,030,094	1,658,338
Tax on profit	12	(2,202,368)	(424,070)
Profit for the financial period		7,827,726	1,234,268

Profit for the financial period is all attributable to the owners of the parent company.

ProCook Limited

**Group statement of comprehensive income
For the period ended 4 April 2021**

	Period ended 4 April 2021 £	Period ended 29 March 2020 £
Profit for the period	7,827,726	1,234,268
Other comprehensive income	-	-
Total comprehensive income for the period	<u>7,827,726</u>	<u>1,234,268</u>

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

ProCook Limited

**Group statement of financial position
As at 4 April 2021**

			2021	2020 as restated
	Notes	£	£	£
Fixed assets				
Tangible assets	14		3,967,597	7,166,412
Current assets				
Stocks	17	9,892,054	5,266,167	
Debtors	19	1,887,756	782,301	
Cash at bank and in hand		5,879,371	2,956,343	
		17,659,181	9,004,811	
Creditors: amounts falling due within one year	20	(9,928,083)	(8,449,852)	
Net current assets			7,731,098	554,959
Total assets less current liabilities			11,698,695	7,721,371
Creditors: amounts falling due after more than one year	21		(162,974)	(2,652,744)
Provisions for liabilities				
Provisions	24	160,000	160,000	
Deferred tax liability	23	426,338	336,970	
		(586,338)	(496,970)	
Net assets			10,949,383	4,571,657
Capital and reserves				
Called up share capital	27		100	100
Revaluation reserve			-	472,431
Profit and loss reserves			10,949,283	4,099,126
Total equity			10,949,383	4,571,657

ProCook Limited

Group statement of financial position (continued)

As at 4 April 2021

The financial statements were approved by the board of directors and authorised for issue on19/08/21 and are signed on its behalf by:



.....
Daniel O'Neill
Director

Company Registration No. 06639057

ProCook Limited

Company statement of financial position
As at 4 April 2021

		2021		2020	
				as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	14		3,539,585		6,299,775
Investments	15		2		2
			<u>3,539,587</u>		<u>6,299,777</u>
Current assets					
Stocks	17	9,466,298		4,525,526	
Debtors	19	3,654,243		2,846,704	
Cash at bank and in hand		5,831,435		2,378,181	
		<u>18,951,976</u>		<u>9,750,411</u>	
Creditors: amounts falling due within one year	20	(9,786,325)		(7,915,659)	
Net current assets			<u>9,165,651</u>		<u>1,834,752</u>
Total assets less current liabilities			<u>12,705,238</u>		<u>8,134,529</u>
Creditors: amounts falling due after more than one year	21		(162,974)		(2,652,744)
Provisions for liabilities	24		(557,307)		(462,972)
Net assets			<u><u>11,984,957</u></u>		<u><u>5,018,813</u></u>
Capital and reserves					
Called up share capital	27		100		100
Revaluation reserve			-		472,431
Profit and loss reserves			11,984,857		4,546,282
Total equity			<u><u>11,984,957</u></u>		<u><u>5,018,813</u></u>

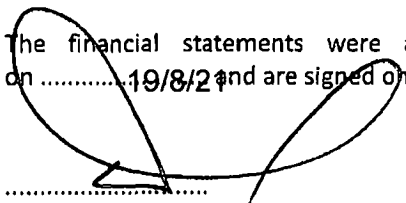
As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £8,416,144 (2020 - £1,469,846 profit).

ProCook Limited

Company statement of financial position (continued)

As at 4 April 2021

The financial statements were approved by the board of directors and authorised for issue on19/8/21 and are signed on its behalf by:



.....
Daniel O'Neill

Director

Company Registration No. 06639057

ProCook Limited

**Group statement of changes in equity
For the period ended 4 April 2021**

		Share capital	Revaluation reserve	Profit and loss reserves	Total
	Notes	£	£	£	£
Balance at 1 April 2019		100	472,431	3,364,858	3,837,389
Period ended 29 March 2020:					
Profit and total comprehensive income for the period		-	-	1,234,268	1,234,268
Dividends	11	-	-	(500,000)	(500,000)
Balance at 29 March 2020		100	472,431	4,099,126	4,571,657
Period ended 4 April 2021:					
Profit and total comprehensive income for the period		-	-	7,827,726	7,827,726
Dividends	11	-	-	(1,450,000)	(1,450,000)
Transfers		-	(472,431)	472,431	-
Balance at 4 April 2021		100	-	10,949,283	10,949,383

ProCook Limited

**Company statement of changes in equity
For the period ended 4 April 2021**

		Share capital	Revaluation reserve	Profit and loss reserves	Total
	Notes	£	£	£	£
Balance at 1 April 2019		100	472,431	3,576,436	4,048,967
Period ended 29 March 2020:					
Profit and total comprehensive income for the period		-	-	1,469,846	1,469,846
Dividends	11	-	-	(500,000)	(500,000)
Balance at 29 March 2020		100	472,431	4,546,282	5,018,813
Period ended 4 April 2021:					
Profit and total comprehensive income for the period		-	-	8,416,144	8,416,144
Dividends	11	-	-	(1,450,000)	(1,450,000)
Transfers		-	(472,431)	472,431	-
Balance at 4 April 2021		100	-	11,984,857	11,984,957

ProCook Limited

Group statement of cash flows
For the period ended 4 April 2021

		2021	2020
			as restated
Notes	£	£	£
			£
Cash flows from operating activities			
Cash generated from operations	31	6,985,730	2,226,827
Interest paid		(89,575)	(241,196)
Income taxes paid		(1,994,545)	(336,717)
Net cash inflow from operating activities		4,901,610	1,648,914
Investing activities			
Purchase of tangible fixed assets	(2,031,832)	(698,597)	
Proceeds on disposal of tangible fixed assets	5,095,595	11,788	
Receipts arising from loans made	-	2,227	
Net cash generated from/(used in) investing activities		3,063,763	(684,582)
Financing activities			
Repayment of bank loans	(3,469,692)	(146,700)	
Dividends paid to equity shareholders	(1,250,000)	(500,000)	
Net cash used in financing activities		(4,719,692)	(646,700)
Net increase in cash and cash equivalents		3,245,681	317,632
Cash and cash equivalents at beginning of period		2,633,690	2,316,058
Cash and cash equivalents at end of period		5,879,371	2,633,690
Relating to:			
Cash at bank and in hand		5,879,371	2,956,343
Bank overdrafts included in creditors payable within one year		-	(322,653)

ProCook Limited

Company statement of cash flows
For the period ended 4 April 2021

		2021	2020 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	32	7,520,775	1,830,560
Interest paid		(89,212)	(241,196)
Income taxes paid		(1,994,545)	(336,717)
Net cash inflow from operating activities		5,437,018	1,252,647
Investing activities			
Purchase of tangible fixed assets		(2,026,057)	(177,720)
Proceeds on disposal of tangible fixed assets		5,084,638	-
Receipts arising from loans made		-	2,227
Net cash generated from/(used in) investing activities		3,058,581	(175,493)
Financing activities			
Repayment of bank loans		(3,469,692)	(146,700)
Dividends paid to equity shareholders		(1,250,000)	(500,000)
Net cash used in financing activities		(4,719,692)	(646,700)
Net increase in cash and cash equivalents		3,775,907	430,454
Cash and cash equivalents at beginning of period		2,055,528	1,625,074
Cash and cash equivalents at end of period		5,831,435	2,055,528
Relating to:			
Cash at bank and in hand		5,831,435	2,378,181
Bank overdrafts included in creditors payable within one year		-	(322,653)

1 Accounting policies

Company information

ProCook Limited ("the company") is a private limited company incorporated in England and Wales. The registered office is ProCook, Davy Way, Waterwells, Gloucester, GL2 2BY.

The group consists of ProCook Limited and its subsidiaries.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties at fair value. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

The group financial statements incorporate those of ProCook Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries that were incorporated during the year are consolidated from the date of incorporation. Where the year ends are non coterminous, the results of subsidiaries have been time apportioned to align with the parent company.

All financial statements are made up to 4 April 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

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

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company and group have adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1 Accounting policies (continued)

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

1.5 Tangible fixed assets

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

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

Land and buildings	10-20% straight line
Leasehold improvements	10% straight line
Plant and machinery etc	10-20% straight line

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

1.6 Fixed asset investments

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

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

1.7 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on price paid less any discount on an average cost basis. Net realisable value is the estimated selling price less cost to sell.

1 Accounting policies (continued)

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

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

Basic financial assets

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

Other financial assets

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

1 Accounting policies (continued)

Impairment of financial assets

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

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

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

Derecognition of financial assets

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

Classification of financial liabilities

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

Basic financial liabilities

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

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

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

1 Accounting policies (continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.11 Equity instruments

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

1.12 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.13 Taxation

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

Current tax

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

1 Accounting policies (continued)

Deferred tax

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

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

1.14 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

A provision against replacement costs under warranties given by the company has been made based on senior management's assessment of likely costs in the light of his historic experience.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.15 Employee benefits

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

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

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

1.16 Retirement benefits

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

1 Accounting policies (continued)

1.17 Leases

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

1.18 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.19 Foreign exchange

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

1.20 Share options

Share options that have been issued by the company have been reviewed under the Black Scholes model to evaluate any provision that may be required to set against the reserves of the company. There are a total of 322 options in existence with a weighted average exercise price per option of £207.69. No provision has been made on the grounds of materiality.

2 Prior year restatements

The prior year figures have been restated to account for the following:

1. Reanalysis of trade finance loans as debt.

This resulted in an increase to debt and a reduction in other creditors of £2,930,146. This also impacted the Statement of Cash Flows as this is now shown within financing activities.

2. Recognition of stock in transit.

This resulted in an increase in stock of £513,925, with a £485,201 increase in accruals and a £28,724 decrease in other debtors to offset the deposits paid on these stock items.

Notes to the group financial statements (continued)
For the period ended 4 April 2021

3 Critical accounting judgements and key sources of estimation uncertainty

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

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

The Directors consider the key accounting estimates and judgements which are made, are in relation to the valuation of inventory and any associated inventory provisions, the useful economic lives of Tangible Assets, and the provisions associated with future warranty claims which Procook offers customers.

4 Turnover and other revenue

	2021	2020
	£	£
Turnover analysed by class of business		
Products	53,465,352	38,954,124
	<u>53,465,352</u>	<u>38,954,124</u>
	2021	2020
	£	£
Other significant revenue		
Grants received	2,804,073	-
	<u>2,804,073</u>	<u>-</u>
	2021	2020
	£	£
Turnover analysed by geographical market		
UK	50,190,487	36,498,136
EU	3,274,865	2,455,988
	<u>53,465,352</u>	<u>38,954,124</u>
	<u>53,465,352</u>	<u>38,954,124</u>

The grants received relate to amounts received under the Coronavirus Job Retention Scheme and Government rates grants.

Notes to the group financial statements (continued)
For the period ended 4 April 2021

5 Employees

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

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Shop and admin staff	559	550	463	390

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	9,919,149	8,361,121	8,622,421	6,155,981
Social security costs	694,843	573,425	610,227	422,271
Pension costs	136,081	127,503	114,455	90,849
	10,750,073	9,062,049	9,347,103	6,669,101

6 Operating profit

	2021 £	2020 £
Operating profit for the period is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	518,550	379,531
Government grants	(2,804,073)	-
Depreciation of owned tangible fixed assets	721,495	658,991
Impairment of owned tangible fixed assets	208,907	-
(Profit)/loss on disposal of tangible fixed assets	(791,213)	26,622
Operating lease charges	2,292,036	2,924,715

ProCook Limited**Notes to the group financial statements (continued)**
For the period ended 4 April 2021**7 Auditor's remuneration**

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	17,100	16,550
Audit of the financial statements of the company's subsidiaries	11,500	11,000
	<u>28,600</u>	<u>27,550</u>

8 Directors' remuneration

	2021	2020
	£	£
Remuneration for qualifying services	<u>19,918</u>	<u>17,500</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2020 - 2).

The aggregate value of any entity contributions paid to a pension scheme in respect of directors' qualifying services is £234.

9 Interest payable and similar expenses

	2021	2020
	£	£
Other finance costs:		
Other interest	<u>89,575</u>	<u>241,196</u>

10 Other gains and losses

	2021	2020
	£	£
Fair value gains/(losses) on financial instruments		
Loss on hedging instrument in a fair value hedge	<u>(948,746)</u>	<u>(173,077)</u>

11 Dividends

	2021	2020
	£	£
Recognised as distributions to equity holders:		
Final paid	<u>1,450,000</u>	<u>500,000</u>

Notes to the group financial statements (continued)
For the period ended 4 April 2021

12 Taxation

	2021 £	2020 £
Current tax		
UK corporation tax on profits for the current period	2,113,000	294,082
Adjustments in respect of prior periods	-	6,030
Total current tax	2,113,000	300,112
Deferred tax		
Origination and reversal of timing differences	89,368	123,958
Total tax charge	2,202,368	424,070

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

	2021 £	2020 £
Profit before taxation	10,030,094	1,658,338
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	1,905,718	315,084
Tax effect of expenses that are not deductible in determining taxable profit	6,164	886
Adjustments in respect of prior years	114,849	2,240
Effect of change in corporation tax rate	-	29,822
Permanent capital allowances in excess of depreciation	(133,854)	73,128
Other permanent differences	-	2,910
Chargeable gains	309,491	-
Taxation charge	2,202,368	424,070

Notes to the group financial statements (continued)
For the period ended 4 April 2021

13 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2021 £	2020 £
In respect of:			
Property, plant and equipment	14	208,907	-
		<u>208,907</u>	<u>-</u>
Recognised in:			
Administrative expenses		208,907	-
		<u>208,907</u>	<u>-</u>

Tangible assets which have been impaired are in relation to assets held in stores which management expect to close within a shorter time frame than the currently recorded Useful Economic Life.

The impairment losses in respect of financial assets are recognised in other gains and losses in the income statement.

Notes to the group financial statements (continued)
For the period ended 4 April 2021

14 Tangible fixed assets

Group	Land and buildings	Leasehold improvements	Plant and machinery etc	Total
	£	£	£	£
Cost				
At 30 March 2020	4,637,138	60,315	4,988,839	9,686,292
Additions	97,893	2,030	1,931,909	2,031,832
Disposals	(4,391,857)	(6,188)	(413,613)	(4,811,658)
At 4 April 2021	343,174	56,157	6,507,135	6,906,466
Depreciation and impairment				
At 30 March 2020	464,039	4,176	2,051,665	2,519,880
Depreciation charged in the period	64,868	5,412	651,215	721,495
Impairment losses	-	-	208,907	208,907
Eliminated in respect of disposals	(378,848)	(428)	(132,137)	(511,413)
At 4 April 2021	150,059	9,160	2,779,650	2,938,869
Carrying amount				
At 4 April 2021	193,115	46,997	3,727,485	3,967,597
At 29 March 2020	4,173,099	56,139	2,937,174	7,166,412

Notes to the group financial statements (continued)
For the period ended 4 April 2021

14 Tangible fixed assets (continued)

Company	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 30 March 2020	4,637,138	4,070,342	8,707,480
Additions	97,893	1,928,164	2,026,057
Disposals	(4,391,857)	(305,890)	(4,697,747)
At 4 April 2021	343,174	5,692,616	6,035,790
Depreciation and impairment			
At 30 March 2020	464,039	1,943,666	2,407,705
Depreciation charged in the period	64,868	517,083	581,951
Eliminated in respect of disposals	(378,848)	(114,603)	(493,451)
At 4 April 2021	150,059	2,346,146	2,496,205
Carrying amount			
At 4 April 2021	193,115	3,346,470	3,539,585
At 29 March 2020	4,173,099	2,126,676	6,299,775

More information on impairment movements in the period is given in note 13.

15 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	16	-	-	2	2

ProCook Limited

Notes to the group financial statements (continued)
For the period ended 4 April 2021

15 Fixed asset investments (continued)

Movements in fixed asset investments
Company

**Shares in
group
undertakings**
£

Cost or valuation

At 30 March 2020 and 4 April 2021

2

Carrying amount

At 4 April 2021

2

At 29 March 2020

2

16 Subsidiaries

Details of the company's subsidiaries at 4 April 2021 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
Procook (Kitchens) Limited	United Kingdom	Ordinary shares	100.00	-
Procook (Steamer Trading) Limited	United Kingdom	Ordinary shares	100.00	-

17 Stocks

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
		as restated		as restated
Finished goods and goods for resale	9,892,054	5,266,167	9,466,298	4,525,526

Stock of finished goods includes stock in transit at the year end of £1,317,662 (2020: £513,925).

Notes to the group financial statements (continued)
For the period ended 4 April 2021

18 Financial instruments

	Group 2021 £	2020 £	Company 2021 £	2020 £
Debt instruments measured at amortised cost	517,155	270,997	2,448,100	2,448,800
Carrying amount of financial liabilities				
- Other financial liabilities	948,746	-	948,746	-
Measured at amortised cost	<u>8,283,188</u>	<u>9,979,951</u>	<u>8,191,068</u>	<u>9,618,837</u>

Other financial liabilities consist of forward contracts held by the entity to reduce the currency risk that it faces with the US dollar. At the balance sheet date, the company has entered in to forward contracts however it is not possible to estimate the economic outflow due to the conditions attaching to them.

All forward contracts are measured at their fair value, which is based on the difference between the contracted exchange rate and the closing rate.

19 Debtors

	Group 2021 £	2020 £	Company 2021 £	2020 £
Amounts falling due within one year:		as restated		as restated
Trade debtors	986	327	-	-
Amounts owed by group undertakings	-	-	1,931,933	2,178,129
Other debtors	516,169	270,670	516,167	270,671
Prepayments and accrued income	<u>1,370,601</u>	<u>511,304</u>	<u>1,206,143</u>	<u>397,904</u>
	<u>1,887,756</u>	<u>782,301</u>	<u>3,654,243</u>	<u>2,846,704</u>

Notes to the group financial statements (continued)
For the period ended 4 April 2021

20 Creditors: amounts falling due within one year

		Group	2020	Company	2020
	Notes	2021	2020	2021	2020
		£	£	£	£
			as restated		as restated
Bank loans and overdrafts	22	2,803,182	4,238,546	2,803,182	4,238,546
Trade creditors		2,704,632	1,292,037	2,671,698	1,106,061
Corporation tax payable		412,537	294,082	412,537	294,082
Other taxation and social security		446,586	828,563	396,948	655,484
Derivative financial instruments		948,746	-	948,746	-
Other creditors		514,362	731,234	509,441	609,720
Accruals and deferred income		2,098,038	1,065,390	2,043,773	1,011,766
		<u>9,928,083</u>	<u>8,449,852</u>	<u>9,786,325</u>	<u>7,915,659</u>

21 Creditors: amounts falling due after more than one year

		Group	2020	Company	2020
	Notes	2021	2020	2021	2020
		£	£	£	£
Bank loans and overdrafts	22	-	2,356,981	-	2,356,981
Other creditors		162,974	295,763	162,974	295,763
		<u>162,974</u>	<u>2,652,744</u>	<u>162,974</u>	<u>2,652,744</u>

22 Loans and overdrafts

		Group	2020	Company	2020
		2021	2020	2021	2020
		£	£	£	£
			as restated		as restated
Bank loans		2,803,182	6,272,874	2,803,182	6,272,874
Bank overdrafts		-	322,653	-	322,653
		<u>2,803,182</u>	<u>6,595,527</u>	<u>2,803,182</u>	<u>6,595,527</u>
Payable within one year		2,803,182	4,238,546	2,803,182	4,238,546
Payable after one year		-	2,356,981	-	2,356,981

Notes to the group financial statements (continued)
For the period ended 4 April 2021

22 Loans and overdrafts (continued)

Included in the bank loans noted above is £nil (2020: £3,717,893) which were secured by way of a mortgage over the leasehold of Unit 2, Gateway 12 Business Park, Waterwells, Gloucester GL2 2BY. This charge was registered on 30 December 2015. This loan was fully repaid in the year.

Also included in bank loans is £2,803,182 (2020: £2,930,146) owed to HSBC Bank Plc in respect of short term product loans that are secured by way of a fixed and floating charge over the assets of the company.

23 Deferred taxation

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

	Liabilities 2021 £	Liabilities 2020 £
Group		
Deferred tax	426,338	336,970
	<u>426,338</u>	<u>336,970</u>
	Liabilities 2021 £	Liabilities 2020 £
Company		
Deferred tax	397,307	302,972
	<u>397,307</u>	<u>302,972</u>
	Group 2021 £	Company 2021 £
Movements in the period:		
Liability at 30 March 2020	336,970	302,972
Charge to profit or loss	89,368	94,335
	<u>426,338</u>	<u>397,307</u>
Liability at 4 April 2021	<u>426,338</u>	<u>397,307</u>

It is unclear when the deferred tax balances will arise.

ProCook Limited

Notes to the group financial statements (continued)
For the period ended 4 April 2021

24 Provisions for liabilities

		Group 2021	2020	Company 2021	2020
	Notes	£	£	£	£
Warranty provision		160,000	160,000	160,000	160,000
Deferred tax liabilities	23	426,338	336,970	397,307	302,972
		<u>586,338</u>	<u>496,970</u>	<u>557,307</u>	<u>462,972</u>

25 Retirement benefit schemes

	2021	2020
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	136,081	127,503
	<u>136,081</u>	<u>127,503</u>

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

26 Revaluation reserve

	Group 2021	2020	Company 2021	2020
At the beginning of the year	472,431	472,431	472,431	472,431
Transfer to retained earnings	(472,431)	-	(472,431)	-
At the end of the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The revaluation reserve relates solely to the warehouse (cost value £4,057,478) which was disposed of during the year. This has therefore been transferred to retained earnings.

27 Share capital

	Group and company 2021	2020
Ordinary share capital	£	£
Issued and fully paid		
10,000 Ordinary shares of 1p each	100	100
	<u>100</u>	<u>100</u>

The company has one class of ordinary share which carries no right to fixed income.

Notes to the group financial statements (continued)
For the period ended 4 April 2021

28 Operating lease commitments

Lessee

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

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Within one year	3,181,429	2,089,029	2,915,030	1,443,771
Between two and five years	7,306,313	4,247,131	7,266,469	2,749,145
In over five years	5,884,396	56,610	5,884,396	56,610
	<u>16,372,138</u>	<u>6,392,770</u>	<u>16,065,895</u>	<u>4,249,526</u>

Notes to the group financial statements (continued)
For the period ended 4 April 2021

29 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021	2020
	£	£
Aggregate compensation	19,918	17,500

The company has taken advantage of the exemption under paragraph 33.1a of FRS 102 from disclosing transactions entered into between two or more members of a group, where any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group.

The amounts owed to/from group companies are disclosed as such in the creditor/debtor notes respectively.

Transactions with non-group related parties, relate to the collection of charitable donations from customers and colleagues for Life's a Beach, and the provision of office space and distribution services in respect of Quella Bicycles.

Included in other debtors is £11,208 (2020: £3,995) owing from Quella Bicycle Limited which shares a director with the group, recharges in the year totalled £561,108. No interest is charged on this balance.

Included in other debtors is £nil (2020: £23,983) owing from a director at the year end. The balance is non interest bearing and was repaid in full post year end.

Included in other creditors is £49,318 (2020: £27,587) owed to a charity called Life's a Beach which is controlled by a director of the entity. Charitable donations collected on behalf of the charity throughout the year totalled £49,318.

30 Controlling party

The company is controlled by Daniel O'Neill and Sarah O'Neill by virtue of their shareholding.

ProCook Limited**Notes to the group financial statements (continued)**
For the period ended 4 April 2021**31 Cash generated from group operations**

	2021	2020
	£	£
Profit for the period after tax	7,827,726	1,234,268
Adjustments for:		
Taxation charged	2,202,368	424,070
Finance costs	89,575	241,196
(Gain)/loss on disposal of tangible fixed assets	(791,213)	26,622
Depreciation and impairment of tangible fixed assets	930,402	658,991
Other gains and losses	948,746	173,077
Movements in working capital:		
Increase in stocks	(4,625,887)	(1,317,912)
Increase in debtors	(1,109,592)	(42,681)
Increase in creditors	1,513,605	829,196
Cash generated from operations	6,985,730	2,226,827

32 Cash generated from operations - company

	2021	2020
	£	£
Profit for the period after tax	8,416,144	1,469,846
Adjustments for:		
Taxation charged	2,207,335	346,739
Finance costs	89,212	241,196
Gain on disposal of tangible fixed assets	(880,342)	-
Depreciation and impairment of tangible fixed assets	581,951	567,761
Other gains and losses	948,746	173,077
Movements in working capital:		
Increase in stocks	(4,940,772)	(1,184,785)
Increase in debtors	(807,539)	(834,956)
Increase in creditors	1,906,040	1,051,682
Cash generated from operations	7,520,775	1,830,560

ProCook Limited

Notes to the group financial statements (continued)
For the period ended 4 April 2021

33 Analysis of changes in net funds/(debt) - group

	30 March 2020	Cash flows	4 April 2021
	£	£	£
Cash at bank and in hand	2,956,343	2,923,028	5,879,371
Bank overdrafts	(322,653)	322,653	-
	<u>2,633,690</u>	<u>3,245,681</u>	<u>5,879,371</u>
Borrowings excluding overdrafts	(6,272,874)	3,469,692	(2,803,182)
	<u>(3,639,184)</u>	<u>6,715,373</u>	<u>3,076,189</u>

34 Analysis of changes in net funds/(debt) - company

	30 March 2020	Cash flows	4 April 2021
	£	£	£
Cash at bank and in hand	2,378,181	3,453,254	5,831,435
Bank overdrafts	(322,653)	322,653	-
	<u>2,055,528</u>	<u>3,775,907</u>	<u>5,831,435</u>
Borrowings excluding overdrafts	(6,272,874)	3,469,692	(2,803,182)
	<u>(4,217,346)</u>	<u>7,245,599</u>	<u>3,028,253</u>