

Registered number: 03265824

Crew Clothing Co Limited

Report and Financial Statements

For the period ended 25 December 2022

Crew Clothing Co Limited

Company Information

| | |
|-----------------------------|--|
| Directors | Menoshi Shina Sheila Geraghty (appointed 5 May 2023) |
| Registered number | 03265824 |
| Registered office | 20 Lydden Road London SW18 4LR |
| Independent auditors | Kreston Reeves LLP Chartered Accountants & Statutory Auditor 2nd Floor 168 Shoreditch High Street London E1 6RA |

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Strategic report

For the period ended 25 December 2022

Strategic report

The Directors present their strategic report together with the audited financial statements for the 52 week period ended 25 December 2022.

Principal activities

Crew Clothing is the go-to British smart casual lifestyle brand and its principal activity is to create high quality men's, women's and children's clothing, shoes and accessories for sale through Crew's retail stores, website and wholesale accounts.

Business Review and Key Performance Indicators

25 December 2022 26 December 2021

Turnover 101,315 82,728

Adjusted EBITDA 13,508 16,020

Turnover increased by 22% to the year ended 25 December 2022 with significant growth coming from our existing market place partners and new market place partners. There was also positive growth from our retail estate and wholesale.

Adjusted EBITDA of £14m was achieved compared to £16m in the comparative 12 month period.

The decline in EBITDA is due to the support received in 2021. The business benefitted from the Coronavirus Job Retention Scheme £1.4m, government grants £1.5m and business rates relief £2.2m. As referred to above this strong performance in sales reflects the continued investment in Ecommerce, our retail estate and the growth in marketplace channels.

Adjusted EBITDA is calculated as operating profit adjusted for depreciation, loss on disposal and amortisation of £1,904,000 (2021 - £1,934,000) and exceptional costs £450,000 (2020 – exceptional revenue £3,481,000 and exceptional costs of £558,000). 2022 exceptional costs are predominantly made up of restructure costs.

The income statement is set out and shows the profit for the year. The profit for the year after tax amounted to £8,942,000 (2021 - £13,659,000).

The Company monitors a range of key performance indicators (KPIs) on a regular basis to manage the business, enable timely decision-making and to react quickly to a rapidly changing trading environment. Particular attention is paid to the weekly KPIs and trading information with variances to budget and forecasts for individual product ranges and channels to market being reviewed. The two primary KPI's at the group level are turnover and adjusted EBITDA.

The Directors remain cautious in their trading outlook but are committed to the strategy of selling exceptional quality at reasonable price points and believe the Crew Clothing brand appeals to an increasingly broad core customer base and is capable of further expansion despite widespread difficulties across the UK retail sector.

We maintain a disciplined approach to promotions to benefit our margins and working capital and further maintain the integrity and strength of the brand.

During the period we have concentrated on driving our Ecommerce business with continued investment in digital marketing to ensure a seamless customer journey even when stores were closed. Our focus continues to be on one view of the customer offering multiple touchpoints across various different channels. Alongside this we continue to improve the optimisation of our store estate and control costs across all areas of the business.

Principal risks and uncertainties

Crew Clothing is a well-established brand, with a loyal customer following. However we acknowledge and manage the following risks.

Strategic report (continued)

For the period ended 25 December 2022

Trading risk

The company, as all the UK retailers, faces uncertainties in its trading environment.

A positive economic and favourable legislative environment is key to the overall success of the retail sector in the UK and as a consequence of Crew Clothing.

A significant challenge is attracting new and retaining existing customers in a very competitive retail environment. The management remain cognisant of the UK retail market dynamics, competitor activity and consumer behaviours in order to react and make the appropriate decisions required to satisfy customers and drive the business forward.

Financial Risk Management

The existence of various financial instruments, primarily loans, cash, trade debtors and trade creditors, exposes the Company to a number of financial risks, which are described in more detail below.

The main risks arising from the Company's financial instruments are currency risk, liquidity risk and credit risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained substantially unchanged from previous years.

Currency risk

The company is significantly reliant on production overseas and therefore is exposed to foreign exchange risk principally in US Dollars. Fluctuations in the exchange rates of the US Dollar is continually monitored and Crew Clothing may from time to time enter into forward currency contracts to hedge future inventory purchases.

Liquidity risk

The Company seeks to manage liquidity risk by regularly forecasting future cashflows and monitoring banking facilities to ensure sufficient funds are available to meet the Company's financial obligations for the foreseeable future.

Credit risk

The Company's principal financial assets are cash and trade debtors. Credit risk associated with trade debtors is managed by the Company monitoring the financial position of the counterparties involved.

In order to manage credit risk arising from trade debtors, the directors set limits for customers based on a combination of payment history and size of account. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history, and credit limits are adjusted on a regular basis.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum "A" are accepted.

Strategic report (continued)

For the period ended 25 December 2022

Current trading and outlook

As was widely reported, the Covid pandemic has had a significant impact on the retail industry in 2020 and the start of 2021, and as a result the trading environment in 2022 was challenging. The cost of living crises, the rise in inflation and the war in Ukraine has also had an impact on the retail industry. All of our stores have traded continuously since re-opening in April 2021. We remain cautious and have set a realistic plan for the 2023 financial year that shows a gradual uplift in our trading performance, particularly in our stores and market place partners.

Further, we are confident that our loyal customer base, sensible marketing strategy and tight operating costs control will help Crew Clothing withstand the current inflationary pressures and cost of living challenges.

We are continuing with our IT investment roadmap to drive operational enhancements and efficiencies whilst remaining agile and able to respond to changes in the market.

We believe that there is still a place for bricks and mortar stores and are continuing to grow our estate by reviewing appropriate opportunities.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Principal activities and Business review sections above.

The financial position of the Company significantly improved during 2022, despite the challenging market conditions.

The main financial risks arising from the activities of the Company are set out in Principles risks and uncertainties section above, together with the Company's policies and processes for managing these risks.

The Company has prepared forecasts which take into account possible changes in trading which have been reviewed by the directors. These forecasts show that the Company should be able to operate within the existing working capital facilities.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The directors therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements for the Company.

Strategic report (continued)

For the period ended 25 December 2022

Directors' statement of compliance with duty to promote the success of the Company

S172 Statement

The Board is mindful of all stakeholders when making decisions of strategic importance. Stakeholder engagement is central to the formulation and execution of the strategy and is critical in achieving long-term sustainable success. The needs of our stakeholder and as well as the consequences of any decision on the long-term are well considered by the Board.

Key Stakeholders

The Board considers its key stakeholders to be its customers, employees, partners & suppliers, its shareholder, the communities & environment in which it operates and regulatory and other industry bodies.

S172 (1) Statement:

In accordance with S172 (1) of the Companies Act 2006, a Director of a company must act in the way he or she considers in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard, amongst other matters, to:

- The likely consequences of any decisions in the long-term
- The interests of the Company's employees
- The need to foster the Company's business relationships with customers
- The impact of the Company's operations on the community and environment
- The desirability of the Company maintaining a reputation for high standards of business conduct
- The need to act fairly between members of the Company

Below describes how the Directors of the Company have taken account of the matters set out in s172 (1) (a) to (f) and forms the Directors statement required under s172 of the Companies Act 2006.

Customers

Our customers are at the heart of everything we do. We seek to understand more about them to ensure our products and services meet their expectations and we deliver a seamless shopping experience whichever channel they choose to shop with us in, whether online, in store or via our contact centre.

We constantly review whether we're achieving our customer centric aims and ambitions by measuring customer growth and getting feedback via surveys, ratings and occasional focus groups as well as through our various contact channels.

We have regular meetings to review any issues impacting the customer experience and put actions in place to resolve them as quickly as possible. The customer continues to be our focus at all levels in the organisation and we have many initiatives on the horizon to adapt to changing requirements, shopping preferences and lifestyle.

Employees

We continually engage with our employees and have been focussed on employee safety, wellbeing and morale throughout this pandemic. Members of the senior management team are regularly invited to present at board meetings allowing for direct and meaningful interaction and engagement. We have maintained full onboarding and induction for new starters and company-wide e-learning. We have introduced a rigorous flexible working policy across our London Office, invested in Mental Health First Aiders and have recently signed up a comprehensive Employee Assistance Programme to support people across our business.

Strategic report (continued)

For the period ended 25 December 2022

Partners & Suppliers

The Company aims to conduct all its business relationships with integrity and courtesy, and to honour all business agreements. We work closely with producers and our supply chain and have taken measures to prevent modern slavery. We are working with contacts at the Better Cotton Initiative to become an active member and continue to boost our sustainability roadmap, as well as increase our visibility in the supply chain. We have made additional commentary in our supplier manual to ensure that the use of Xinjiang cotton in the Uighur region is no longer used due to the news reports around forced labour in that region. We are setting up a process to begin classifying our suppliers to Tier 1 / 2 / 3 in order to support and work with them more productively in the future. By consolidating our packaging / trims / swing tickets to two central suppliers, rather than leave with each suppliers, by the end of the year 30% of the packaging will contain recycled content, and 100% of our care labels / swing tickets will be FSC certified and / or sustainable.

Shareholder

The Directors and particularly the CEO engage with the principal shareholder on a regular basis involving him in all significant decisions and providing regular updates on performance.

Communities & Environment

We recognise that our business practices have a direct impact on the environment and seek to minimise the adverse impacts of this wherever possible. We're committed to having over 20% of our range made from sustainable cotton and 20% reduction in water across key categories by 2022; to offset air freight emissions through blue carbon conservation by 2024; and to aim towards 100% sustainable cotton and 50% recycle polyester by 2025. We are passionate about ocean conservation and support it through national awareness-driving campaigns and money raising activities.

Regulatory and other industry bodies

The Company has processes in place to monitor new regulations and compliance requirements that may impact the business. We regularly engage with industry bodies such as the British Retail Consortium, Better Cotton Initiative and other retail forums. The Company engages with specialists to help proactively manage our business risks.

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

Sheila Geraghty

Director

Date: 29 September 2023

Directors' report

For the period ended 25 December 2022

The directors present their report and the financial statements for the period ended 25 December 2022.

Directors' responsibilities statement

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements 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 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 to 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.

Principal activity

Crew Clothing Co. Limited (Crew Clothing) is the go-to British smart casual lifestyle brand and its principal activity is to create high quality men's, woman's and children's clothing, shoes and accessories for sale through Crew's retail stores, website and wholesale accounts.

Results and dividends

The profit for the period, after taxation, amounted to £9,057 thousand (2021 - £13,659 thousand).

During the year, the company paid dividends of £NIL (2021: £17,950,000).

Directors

The directors who served during the period were:

David Butler (resigned 5 May 2023)
Menoshi Shina

Directors' report (continued)

For the period ended 25 December 2022

Disabled Persons and Employee Involvement

It is company policy to encourage and develop all members of staff. Wherever possible, vacancies are filled from within the company and adequate opportunities for internal promotion are created. The Company has a comprehensive training and development programme creating the opportunity for employees to maintain and improve their performance and to develop their potential to a maximum level of attainment. The company supports the principle of equal opportunities in employment and opposes all forms of unlawful or unfair discrimination on the grounds of race, age, nationality, religion, ethnic or national origin, sexual orientation, gender or gender reassignment, marital status or disability. It is also company policy, where possible, to give sympathetic consideration to disabled persons in their application for employment and to protect the interests of existing members of the staff who are disabled.

Greenhouse gas emissions, energy consumption and energy efficiency action

Crew Clothing Co Limited is exempt from disclosing its information regarding its energy usage as it is included within the directors report of the parent company's accounts.

Matters covered in the Strategic report

Narrative regarding future developments has been included in the Strategic report.

Disclosure of information to auditors

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Kreston Reeves LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

Sheila Geraghty

Director

Date: 29 September 2023

Independent auditors' report to the members of Crew Clothing Co Limited

Opinion

We have audited the financial statements of Crew Clothing Co Limited (the 'Company') for the period ended 25 December 2022, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, 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 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 Company's affairs as at 25 December 2022 and of its 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditors' report to the members of Crew Clothing Co Limited (continued)

Opinion 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

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

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

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.

Independent auditors' report to the members of Crew Clothing Co Limited (continued)

Auditors' responsibilities for the audit of the financial statements

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

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

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the company and industry, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Statement of Recommended Practice, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure, and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety, anti-bribery and employment law) and fraud; and
- Further assessment of the company's compliance with laws and regulations was undertaken by ensuring the engagement team were made aware of the identified laws and regulations to ensure they remained alert to any indications of non-compliance;
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud;
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing low level analytical procedures to any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

Independent auditors' report to the members of Crew Clothing Co Limited (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Anne Dwyer Bsc (Hons) FCA (Senior statutory auditor)

for and on behalf of

Kreston Reeves LLP

Chartered Accountants

Statutory Auditor

London

29 September 2023

Statement of comprehensive income
For the period ended 25 December 2022

| | | 2022 | As restated |
|--|-------------|-----------------|-------------|
| | Note | £000 | 2021 |
| | | | £000 |
| Turnover | 4 | 101,315 | 82,392 |
| Cost of sales | | (38,958) | (28,308) |
| Gross profit | | 62,357 | 54,084 |
| Administrative expenses | | (50,753) | (41,836) |
| Exceptional administrative expenses | | (450) | 3,044 |
| Other operating income | 5 | - | 1,503 |
| Operating profit | 8 | 11,154 | 16,795 |
| Interest payable and similar expenses | 9 | (104) | (19) |
| Profit before tax | | 11,050 | 16,776 |
| Tax on profit | 10 | (1,993) | (3,117) |
| Profit for the financial period | | 9,057 | 13,659 |

The notes on pages 15 to 29 form part of these financial statements.

Balance sheet
As at 25 December 2022

| | | 25 December 2022 £000 | As restated 26 December 2021 £000 |
|---|-------------|--------------------------------------|--|
| | Note | | |
| Fixed assets | | | |
| Tangible assets | 12 | 5,565 | 3,611 |
| | | 5,565 | 3,611 |
| Current assets | | | |
| Stocks | 13 | 22,324 | 19,939 |
| Debtors: amounts falling due after more than one year | 14 | - | 216 |
| Debtors: amounts falling due within one year | 14 | 10,258 | 10,304 |
| Cash at bank and in hand | 15 | 27,903 | 24,818 |
| | | 60,485 | 55,277 |
| Creditors: amounts falling due within one year | 16 | (34,269) | (36,675) |
| Net current assets | | 26,216 | 18,602 |
| Total assets less current liabilities | | 31,781 | 22,213 |
| Creditors: amounts falling due after more than one year | 17 | (191) | (142) |
| Provisions for liabilities | | | |
| Deferred tax | 18 | (336) | - |
| Other provisions | 19 | (186) | (60) |
| | | (522) | (60) |
| Net assets | | 31,068 | 22,011 |
| Capital and reserves | | | |
| Called up share capital | 20 | 250 | 250 |
| Profit and loss account | 21 | 30,818 | 21,761 |
| | | 31,068 | 22,011 |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 September 2023.

Sheila Geraghty
Director

The notes on pages 15 to 29 form part of these financial statements.

Statement of changes in equity
For the period ended 25 December 2022

| | Called up share capital | Profit and loss account | Total equity |
|---|------------------------------------|------------------------------------|---------------------|
| | £000 | £000 | £000 |
| At 27 December 2021 (as previously stated) | 250 | 22,033 | 22,283 |
| Prior year adjustment - correction of error - see note 22 | - | (272) | (272) |
| At 27 December 2021 (as restated) | 250 | 21,761 | 22,011 |
| Comprehensive income for the period | | | |
| Profit for the period | - | 9,057 | 9,057 |
| Total comprehensive income for the period | - | 9,057 | 9,057 |
| Total transactions with owners | - | - | - |
| At 25 December 2022 | 250 | 30,818 | 31,068 |

Statement of changes in equity
For the period ended 26 December 2021

| | Called up share capital | Profit and loss account | Total equity |
|--|------------------------------------|------------------------------------|---------------------|
| | £000 | £000 | £000 |
| At 28 December 2020 | 250 | 8,102 | 8,352 |
| Comprehensive income for the period | | | |
| Profit for the period | - | 13,659 | 13,659 |
| Total comprehensive income for the period | - | 13,659 | 13,659 |
| Total transactions with owners | - | - | - |
| At 26 December 2021 | 250 | 21,761 | 22,011 |

The notes on pages 15 to 29 form part of these financial statements.

Notes to the financial statements
For the period ended 25 December 2022

1. General information

Crew Clothing Co. Limited is a private company limited by shares and is incorporated in England & Wales with the company number 03265824. The address of the registered office and principal place of business is 20 Lydden Road, London, SW18 4LR.

The principal activity is to create high quality men's and woman's clothing, shoes and accessories for sale through Crew's retail stores, website and wholesale accounts.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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 (see note 3).

The Company's financial statements are presented to the nearest thousand.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Broadgate 1960 Company Limited as at 25 December 2022 and these financial statements may be obtained from 20 Lydden Road, London, United Kingdom, SW18 4LR.

2.3 Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

The Directors have reviewed management forecasts, sensitivities and mitigating actions available to management which take into account possible changes in trading. These forecasts show that the Company should be able to operate within the existing working capital facilities.

The liquidity requirements of the Company have been assessed by the directors and believe them to be adequate for a period of at least 12 months from the date of signing these financial statements and therefore have adopted the going concern basis in preparation of the financial statements.

Notes to the financial statements
For the period ended 25 December 2022

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is pounds sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 Revenue

Revenue is the total amount receivable by the Company, less credits and returns, in the ordinary course of business with customers for goods supplied, excluding VAT and trade discounts. Revenue is recognised when the risks and rewards of owning the goods have passed to the customer, which is generally point of sale. Online and wholesale sales are recognised on dispatch of goods to the customer.

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

Notes to the financial statements
For the period ended 25 December 2022

2. Accounting policies (continued)

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Borrowing costs

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

2.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.11 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Notes to the financial statements
For the period ended 25 December 2022

2. Accounting policies (continued)

2.12 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | | | |
|-------------------------------|---|-----|-----------------|
| Short-term leasehold property | - | 20% | on cost |
| Fixtures and fittings | - | 20% | on cost |
| Computer equipment | - | 20% | - 33% on cost |
| Other fixed assets | - | | Not depreciated |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.13 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.14 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.16 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Notes to the financial statements
For the period ended 25 December 2022

2. Accounting policies (continued)

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.18 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

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 income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

Notes to the financial statements
For the period ended 25 December 2022

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the Directors to make judgements, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the period. The nature of estimation is such though that actual outcomes could differ significantly from those estimates.

In preparing these financial statements, the Directors have made the following judgements:

Tangible fixed assets

The Company has recognised tangible fixed assets with a carrying value of £5,565,000 (2021: £3,611,000) at the reporting date (see note 12). These assets are stated at their cost less provision for depreciation and impairment. The Company's accounting policy sets out the approach to calculating depreciation for assets and for subsequent additions. The Company determines at acquisition reliable estimates for the useful life of the asset and its residual value. These estimates are based upon such factors as the expected use of the acquired assets and market conditions. At subsequent reporting dates the Directors consider whether there are any factors such as technological advances or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the Company undertakes tests to determine the recoverable value of assets. Recoverable value assessments include consideration of issues such as future market conditions, the remaining life of the asset and disposal values.

Lease commitments

The Company has entered into a range of lease commitments in respect of property, plant and equipment. The classification of these leases as either financial or operating leases requires Directors to consider whether the terms and conditions of each leases are such that the Company has acquired the risks and rewards associated with the ownership of the underlying assets.

The following are the Company's key sources of estimation uncertainty:

Stock provisioning

The Company sells clothing and is subject to changing consumer demands. As a result it is necessary to consider the recoverability of the cost of stocks and the associated provisioning required. When calculating the stock provision, management considers the nature and condition of the stock, as well as applying assumptions around the anticipated saleability of the finished goods. The stock provision for the year amounted to £890,884 (2021: £1,428,810). See note 13.

Taxation

Provision has been made in the financial statements for a deferred tax liability amounting to £341,721 (2021: Asset of £216,139) at the reporting date (see note 18). This provision is based upon estimates of availability of future taxable profits, the timing of the reversal of timing differences upon which the provision is based and the tax rates that will be in force at that time together with an assessment of the impact of future tax planning strategies.

Notes to the financial statements
For the period ended 25 December 2022

4. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company.

Analysis of turnover by country of destination:

| | 2022 | As restated |
|-------------------|----------------|-------------|
| | £000 | 2021 |
| | | £000 |
| United Kingdom | 98,900 | 81,528 |
| Rest of Europe | 776 | 263 |
| Rest of the world | 1,639 | 601 |
| | 101,315 | 82,392 |

5. Other operating income

| | 2022 | 2021 |
|------------------------------|-------------|-------------|
| | £000 | £000 |
| Government grants receivable | - | 1,503 |
| | - | 1,503 |

6. Employees

Staff costs, including directors' remuneration, were as follows:

| | 2022 | 2021 |
|-------------------------------------|---------------|-------------|
| | £000 | £000 |
| Wages and salaries | 15,216 | 12,343 |
| Social security costs | 1,274 | 982 |
| Cost of defined contribution scheme | 407 | 347 |
| | 16,897 | 13,672 |

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

| | 2022 | 2021 |
|----------------------------|-------------|------------|
| | No. | No. |
| Sales | 661 | 565 |
| Control and administration | 157 | 133 |
| | 818 | 698 |

Notes to the financial statements
For the period ended 25 December 2022

7. Directors' remuneration

| | 2022 | 2021 |
|---|-------------|------------|
| | £000 | £000 |
| Directors' emoluments | 384 | 298 |
| Company contributions to defined contribution pension schemes | 4 | 9 |
| | 388 | 307 |

During the period retirement benefits were accruing to 1 director (2021 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £388,000 (2021 - £298,000).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £4,000 (2021 - £9,000).

8. Operating profit

The operating profit is stated after charging:

| | 2022 | 2021 |
|-----------------------------------|--------------|-------|
| | £000 | £000 |
| Depreciation - Owned fixed assets | 1,905 | 1,684 |
| Auditor's remuneration | 61 | 55 |
| Other operating lease rentals | 5,057 | 5,038 |

9. Interest payable and similar expenses

| | 2022 | 2021 |
|------------------|-------------|-----------|
| | £000 | £000 |
| Interest payable | 104 | 19 |
| | 104 | 19 |

Notes to the financial statements
For the period ended 25 December 2022

10. Taxation

| | 2022 £000 | As restated 2021 £000 |
|--|--------------|-----------------------------|
| Corporation tax | | |
| Current tax on profits for the year | 1,550 | 2,842 |
| Adjustments in respect of previous periods | (109) | - |
| | <u>1,441</u> | <u>2,842</u> |
| Total current tax | <u>1,441</u> | <u>2,842</u> |
| Deferred tax | | |
| Origination and reversal of timing differences | 511 | 275 |
| Adjustments in relation to the prior period | 41 | - |
| | <u>552</u> | <u>275</u> |
| Total deferred tax | <u>552</u> | <u>275</u> |
| Taxation on profit on ordinary activities | <u>1,993</u> | <u>3,117</u> |

Factors affecting tax charge for the period

The tax assessed for the period is lower than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

| | 2022 £000 | 2021 £000 |
|--|---------------|---------------|
| Profit on ordinary activities before tax | <u>11,050</u> | <u>16,775</u> |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%) | 2,100 | 3,187 |
| Effects of: | | |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment | 32 | 4 |
| Capital allowances for period in excess of depreciation | (194) | (8) |
| Adjustments to tax charge in respect of prior periods | (68) | - |
| Deferred tax not recognised | - | (15) |
| Adjusting closing deferred tax to average rate of 19.00% | 123 | (51) |
| Total tax charge for the period | <u>1,993</u> | <u>3,117</u> |

Factors that may affect future tax charges

During the 2021 budget announced by the Chancellor, it was reported that the main rate of corporation tax rate from 1 April 2023 will rise to 25% for companies with profits over £250,000.

Notes to the financial statements
For the period ended 25 December 2022

11. Exceptional items

| | 2022 | 2021 |
|--|-------------|----------------|
| | £000 | £000 |
| Other exceptional items | 17 | 18 |
| Additional staff costs incurred due to covid | - | 226 |
| Local council covid grants | - | (1,215) |
| Insurance money received relating to covid business interruption | - | (2,471) |
| Restructuring costs | 433 | 300 |
| Additional professional fees regarding covid lease negotiations | - | 98 |
| | 450 | (3,044) |

12. Tangible fixed assets

| | Short-term leasehold property | Fixtures and fittings | Computer equipment | Assets under construction | Total |
|---------------------------------------|--|----------------------------------|-------------------------------|--------------------------------------|--------------|
| | £000 | £000 | £000 | £000 | £000 |
| Cost | | | | | |
| At 27 December 2021 | 6,221 | 16,527 | 6,355 | - | 29,103 |
| Additions | 278 | 1,761 | 1,689 | 130 | 3,858 |
| At 25 December 2022 | 6,499 | 18,288 | 8,044 | 130 | 32,961 |
| Depreciation | | | | | |
| At 27 December 2021 | 5,995 | 14,386 | 5,110 | - | 25,491 |
| Charge for the period on owned assets | 114 | 956 | 835 | - | 1,905 |
| At 25 December 2022 | 6,109 | 15,342 | 5,945 | - | 27,396 |
| Net book value | | | | | |
| At 25 December 2022 | 390 | 2,946 | 2,099 | 130 | 5,565 |
| At 26 December 2021 | 226 | 2,141 | 1,244 | - | 3,611 |

Notes to the financial statements
For the period ended 25 December 2022

13. Stocks

| | 25 December 2022 £000 | 26 December 2021 £000 |
|-------------------------------------|--------------------------------------|-----------------------------|
| Finished goods and goods for resale | 22,324 | 19,939 |
| | 22,324 | 19,939 |

14. Debtors

| | 25 December 2022 £000 | 26 December 2021 £000 |
|-------------------------------------|--------------------------------------|-----------------------------|
| Due after more than one year | | |
| Deferred tax asset | - | 216 |
| | - | 216 |

| | 25 December 2022 £000 | 26 December 2021 £000 |
|------------------------------------|--------------------------------------|-----------------------------|
| Due within one year | | |
| Trade debtors | 5,560 | 6,947 |
| Amounts owed by group undertakings | 2,474 | 1,895 |
| Other debtors | 411 | 185 |
| Prepayments and accrued income | 1,813 | 1,277 |
| | 10,258 | 10,304 |

15. Cash and cash equivalents

| | 25 December 2022 £000 | As restated 26 December 2021 £000 |
|--------------------------|--------------------------------------|--|
| Cash at bank and in hand | 27,903 | 24,817 |
| Less: bank overdrafts | (2,506) | (2,130) |
| | 25,397 | 22,687 |

Notes to the financial statements
For the period ended 25 December 2022

16. Creditors: Amounts falling due within one year

| | 25 December | As restated 26 December |
|------------------------------------|----------------------|----------------------------|
| | 2022 | 2021 |
| | £000 | £000 |
| Bank overdrafts | 2,506 | 2,130 |
| Trade creditors | 5,773 | 5,123 |
| Amounts owed to group undertakings | 16,303 | 16,303 |
| Corporation tax | 32 | 1,270 |
| Other taxation and social security | 2,832 | 3,222 |
| Other creditors | 1,525 | 1,357 |
| Accruals and deferred income | 5,298 | 7,270 |
| | <u>34,269</u> | <u>36,675</u> |

The amounts owed to group undertakings represents is an unsecured loan which is payable on demand. The loan does not incur interest.

17. Creditors: Amounts falling due after more than one year

| | 25 December | 26 December |
|------------------------------|--------------------|-------------|
| | 2022 | 2021 |
| | £000 | £000 |
| Accruals and deferred income | 191 | 142 |
| | <u>191</u> | <u>142</u> |

Accruals and deferred income due after more than one year relate to rent free periods on property leases and reflect the timing of when the balances are expected to reverse.

Notes to the financial statements
For the period ended 25 December 2022

18. Deferred taxation

| | 2022 £000 | 2021 £000 |
|---------------------------|--------------|--------------|
| At beginning of year | 216 | 491 |
| Charged to profit or loss | (552) | (275) |
| At end of year | (336) | 216 |

The deferred tax asset is made up as follows:

| | 25 December 2022 £000 | 26 December 2021 £000 |
|--------------------------------|-----------------------------|-----------------------------|
| Accelerated capital allowances | (392) | 150 |
| Short term timing differences | 56 | 66 |
| | (336) | 216 |

19. Provisions

| | Dilapidations £000 |
|----------------------------|-----------------------|
| At 27 December 2021 | 60 |
| Charged to profit or loss | 126 |
| At 25 December 2022 | 186 |

20. Share capital

| | 25 December 2022 £000 | 26 December 2021 £000 |
|--|-----------------------------|-----------------------------|
| Allotted, called up and fully paid | | |
| 250,000 (2021 - 250,000) Ordinary shares shares of £1 each | 250 | 250 |

Notes to the financial statements
For the period ended 25 December 2022

21. Reserves

Profit and loss account

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

22. Prior year adjustment

A prior year adjustment has been recognised in relation to the income of the company. It was identified that a systematic error had occurred, in the prior year which did not correctly recognise returns of goods sold. As a result the financial statements have been adjusted accordingly.

The impact of this adjustment recognises the following:

| | 26 December |
|--|--------------------|
| | 2021 |
| | £000 |
| Cash in transit | 336 |
| Corporation tax charge | (64) |
| | <hr/> |
| Prior year adjustment (Statement of Comprehensive Income) | 272 |
| | <hr/> <hr/> |

23. Related party transactions

The Company has taken advantage of the exemption from disclosing related party transactions with its fellow group members as permitted by FRS102 Section 33.

24. Pension 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 cost charge

represents contributions payable by the Company to the fund and amounted to £407,000 (2021: £347,000). Contributions totalling £60,000 (2021: £67,000) were payable to the fund at the balance sheet date and are included in creditors.

Notes to the financial statements
For the period ended 25 December 2022

25. Commitments under operating leases

At 25 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

| | 25 December 2022 £000 | 26 December 2021 £000 |
|--|--------------------------------------|-----------------------------|
| Not later than 1 year | 4,839 | 4,456 |
| Later than 1 year and not later than 5 years | 6,081 | 6,168 |
| Later than 5 years | 324 | 433 |
| | <u>11,244</u> | <u>11,057</u> |

The following changes in lease payments arising from rent concessions occurring as a direct consequence of the COVID-19 pandemic have been recognised as a reduction in expense in profit or loss.

| | 25 December 2022 £000 | 26 December 2021 £000 |
|--|--------------------------------------|-----------------------------|
| Changes in lease payments arising from COVID-19 related rent concessions | <u>-</u> | <u>379</u> |

26. Other financial commitments

The Company has given a guarantee of £6,394,707 to various suppliers in respect of the Company's purchase of stock.

27. Ultimate controlling party

The Company's immediate parent company is Crew Clothing Holdings Limited.

The Company is included in the group financial statements of Broadgate 1960 Company Limited, which may be obtained from its registered office 20 Lydden Road, London, United Kingdom, SW18 4LR.

The ultimate parent company is New Wishes 2020 Limited a company incorporated in Gibraltar.

The ultimate controlling party of the group is Menoshi Shina who is also a director of the company.

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