Registered number: 10678491

WEIRD FISH CLOTHING LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 27 DECEMBER 2020

COMPANY INFORMATION

Directors	J Stockton B Phillips J Goodwin S Shutt S Bailey (appointed 10 December 2020) B Mercier (appointed 10 December 2020)
Registered number	10678491
Registered office	Unit 15 Miller Court Severn Drive Tewkesbury Business Park Tewkesbury Gloucestershire GL20 8DN
Independent auditor	Crowe U.K. LLP Statutory Auditor 4th Floor St James House St James' Square Cheltenham GL50 2QJ

WEIRD FISH CLOTHING LIMITED

CONTENTS

STRATEGIC REPORT
FOR THE PERIOD ENDED 27 DECEMBER 2020

Business review

The Company is an intermediate holding company.

During 2020, interest payments of nil (2019 nil) were made to Total Capital Partners Dory Investment LP and capital payments of nil (2019 nil).

During the period Total Capital Partners Dory Investment LP have amended the terms of its loan notes to the Company to remove all accrued and unpaid interest along with committed capital repayments and to reduce the future interest rate on Loan Notes A & B to 3% per annum paid quarterly. The redemption premium was reduced to a maximum of 25%. This restructure was completed on the 24 December 2020.

The Company's financial position at 27 December 2020 is shown in the attached financial statements. The company has net liabilities of £898,157 (2019 £2,338,669) and net current liabilities of £460,925 (2019 £351,083).

As a result of the restructure of the loan notes the results for the year was a profit of £1,440,512 (2019 loss £1,173,935) which is attributed to the Company's borrowings.

Principal risks and uncertainties

Weird Fish Clothing Limited is a holding company for a subsidary that is engaged in the design, sourcing, E tailing, retailing and wholesaling of clothing and accessories under the brand name Weird Fish.

During 2021 all businesses have seen some disruptions to supply from Asia due to the continued impacts of Covid -19 and continued lockdowns principally in India and Bangladesh. The business has strong relationships with its suppliers and is in constant discussions around managing lead times

To mitigate the potential disruption to supply of goods two key actions have been taken. Firstly, orders for goods are being placed 2-3 weeks earlier than in prior seasons to allow more time for suppliers to produce. Secondly, back up supply of key styles are being sourced from closer to home in Turkey and Tunisia.

As well as longer production lead times there is a marked upward trend in shipping and freight costs due to a shortage of containers worldwide. We work closely with our freight forwarders to find the best routes at the best prices but recognise that these higher rates are likely to continue in the midterm.

Given the nature of our products the increase in freight costs experienced so far has added approximately 1.5%-3.5% to the costs of goods from Asia during the second half of 2021.

Brexit has made exporting to the EU more problematic given the new customs rules. We have worked with our EU stockists in Ireland, France, Germany, and Holland to minimise the impact by delivering duty paid. We are exploring the possibility of setting up bonded warehouse arrangements with our 3PL partner Torque Logistics for deliveries commencing in 2022.

The EU order book for spring summer 2022 is £732k up 22% on last year indicating that strong brand demand is offsetting logistical difficulties.

The business operates credit terms with wholesale accounts and is subject to a credit risk, the credit risk is managed through proactive credit management policies and procedures.

To manage and maintain a sufficient level of liquidity to support the working capital and future growth the company uses a combination of long-term group loans and short-term financing including stock financing and an invoice discounting facility with Santander UK Plc.

There is still the possibility that the government may impose further lockdowns to prevent the spread of current or new variants of the Covid-19 virus.

The business has developed a hybrid working model that allows an effective mix of office based and working from home approach to managing operations. The agile nature of the business, developed in 2020 should serve the business well under any future lockdown conditions.

Key performance indicators

The Directors consider that as an investment vehicle there are no Financial Key Performance indicators for The Company. The Group KPI's are reported in the Weird Fish Holdings Limited accounts.

This report was approved by the board on 10 December 2021 and signed on its behalf.

....

J Stockton
Director

DIRECTORS' REPORT
FOR THE PERIOD ENDED 27 DECEMBER 2020

The directors present their report and the financial statements for the period ended 27 December 2020.

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;
- 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.

Results and dividends

The profit for the period, after taxation, amounted to £1,440,512 (2019 - loss £1,173,935).

The directors recommend no final dividend be paid (2019: £NIL). During the period no interim dividend was paid (2019: £Nil).

Directors

The directors who served during the period were:

J Stockton
B Phillips
D Murray (resigned 9 April 2020)
J Goodwin
S Shutt
B Mercier (appointed 10 December 2020)
S Bailey (appointed 10 December 2020)

Qualifying third party indemnity provisions

The Company has provided third party indemnity provisions in respect of the directors who were in place during the period and at the date of this report.

Matters covered in the strategic report

Other matters required to be disclosed in the Report of the Directors in accordance with section 416(4) of the Companies Act 2006 in relation to financial risks and future developments are set out in the Strategic Report in accordance with section 414C(11) of the Companies Act 2006.

Disclosure of information to auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that 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 auditor is aware of that information.

Post balance sheet events

On the 23 June 2021 overdraft facility within Weird Fish Limited, the subsidiary on which this company relies, was renewed with Santander UK Plc at £500k, the previous limit was set at £1.2m which was provided to support the business through the COVID-19 pandemic. The total facilities with Santander UK Plc following this amendment are £4.79m. The business did not have a need to utilise the £1.2m overdraft during the term it was in place from 6 August 2020 to 23 June 2021.

Going Concern

The company is reliant on the trading performance of Weird Fish Limited and the Directors of Weird Fish Limited have provided an indication of support.

The Group undertook a banking facility review which concluded in March 2020, the result was an increase to the extended facilities through Santander UK Plc. The extended facilities following the review were £5.49m working capital facility with Santander UK Plc. To support the business through the pandemic Santander provided an unsecured overdraft of £1.2m, following the rapid bounce back of the business during 2020 this facility was renewed at £0.5m which makes the ongoing facilities with Santander £4.79m. The company has not had need to utilise the overdraft facility during 2020 and 2021. The directors have been providing Santander with regular business updates and Santander remain supportive of the management and business.

At the balance sheet date the subsidiary, on which this company is reliant, had net cash of £2.3m and undrawn working capital facilities of £4.95m. During the period Total Capital Partners Dory Investment LP have amended the terms of its loan notes within Weird Fish Clothing Limited to remove all accrued and unpaid interest along with committed capital repayments and to reduce the future interest rate on Loan Notes A & B to 3% per annum paid quarterly along with reducing the redemption premium to a maximum of 25%. As part of this restructure, the management were issued 177,500 D Ordinary shares in Weird Fish Holdings Limited (ultimate Parent), the combined B, C and D ordinary shares are entitled to 30% of the equity proceeds. This restructure was completed on the 24 December 2020. This provides additional funding flexibility, cash headroom and incentive for the Group to invest in the growth of the Ecommerce business moving forwards.

Despite the pandemic and continued disruption into 2021, the SS21 season demand has been strong both from the B2B customer and also the direct customers. This is further supported by the SS22 forward order book closing at £4.2m (expectation £3.8m) which indicates the continued strong customer demand for the brand. The intake margin for SS22 has decreased by 2.4% over SS21 as a result of the global supply chain pressures which have increased raw material prices and transportation costs, this decline has been reflected within the forecasts.

As part of their assessment of going concern, the directors of Weird Fish Clothing Limited have considered the above factors and have prepared detailed profit and loss, balance sheet and cash flow forecasts extending to

26 December 2022. These show that the group and company have sufficient funds to support and invest in its activities, based on the forecasted trading levels, for a period of at least 12 months from the date these financial statements have been signed. The forecasts incorporate the funding terms from Santander and Total Capital referred to above.

The company is reliant on the trading performance of Weird Fish Limited and the Directors of Weird Fish Limited have provided an indication of support.

The Directors of Weird Fish Clothing Limited and The Group, considering all of the above, have resolved to prepare the financial statements for the period ended 27 December 2020 on the basis of going concern.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 10 December 2021 and signed on its behalf.

....
J Goodwin
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEIRD FISH CLOTHING LIMITED

Opinion

We have audited the financial statements of Weird Fish Clothing Limited (the 'Company') for the period ended 27 December 2020, which comprise:

- the statement of comprehensive income for the period ended 27 December 2020;
- the balance sheet as at 27 December 2020;
- the statement of changes in equity for the period then ended; and
- the 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 Company's affairs as at 27 December 2020 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

As the entity holds an investment in Weird Fish Limited and has no other income outside of this, the principle risk facing the entity is that the subsidiary will be unable to provide funds to enable the company to make its interest or principal payments when they fall due and this impacts on the entity's ability to meet its obligations as they fall due and to conclude that it is a going concern.

The going concern of the company is therefore intrinsically linked to the future viability of the subsidiary, and management's assessment of going concern involves consideration about the ability of Weird Fish Limited to continue as a going concern.

Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included considering the availability of funding and the ongoing future cashflow projections which covers the period to December 2022.

We have discussed this with the company's management in order to fully understand their assessment including the underlying assumptions applied.

In addition we have:

- Obtained an understanding of the budgeting and forecasting process followed by management for the entity and the group, including performing a retrospective review comparing the group's actual performance in the year to 27 December 2020 against the original budget to understand whether an indication of management bias exists;
- Obtained the Group's forecast covering the going concern period, and management's assessment of the going concern basis formed;
- Reviewed the arithmetical accuracy of the forecast;
- Discussed the cash flow forecast with management, challenging key assumptions;
- Considered the Group's continued compliance with financing covenants and considering the stress required to the model to indicate a breach;
- Considered the availability of Group finance facilities at the year end and over the period of assessment and the amount available for drawdown;
- Considered the appropriateness of disclosure made in respect of going concern and ensuring it is consistent with our knowledge of the business and the reforecasting exercise.

We have no further observations arising from that evaluation.

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 entity'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.

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Company financial statements as a whole to be £80,000 (FY19 £102,000), based on a combination of a percentage of assets and results.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. Our performance materiality was set at 83.3% of financial statement materiality, amounting to £66,640.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of £4,000 (2019: £5,000). Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

Our audit procedures, which are designed primarily to enable us to form an opinion on your financial statements, were carried out in accordance with International Standards on Auditing (UK). Our work combines substantive procedures involving direct verification of balances and transactions, including obtaining confirmations from third parties where we considered this to be necessary, with a review of certain financial systems and controls.

No restrictions were placed on our audit, and we have been able to undertake our work as planned.

Our evaluation of the systems of control at Weird Fish Clothing Limited was carried out for the purposes of our audit and accordingly it is not intended to be a comprehensive review of systems and processes. It would not necessarily reveal all weaknesses in accounting practice or internal controls which a special investigation might highlight, nor irregularities or errors not material in relation to the financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEIRD FISH CLOTHING LIMITED (CONTINUED)

We set out below, together with going concern above, those matters we identified as key audit matters. This is not a complete list of all risks identified by our audit

Key audit matter	How the scope of our audit addressed the key audit matter
The assessment of the position and assumptions applied in the reflection of the change in terms of the loans The terms of the A and B loans were renegotiated on the 24 December 2020, and therefore the application and treatment of this change of terms was considered. The revised terms included the waiving of interest accrued to date and also a change to the potential redemption charge at the point of settlement, to an amount ranging from 0% through to 25% depending on meeting certain criteria. Disclosures and judgements regarding this area are shown in the financial statements in section 3, and notes 7 and 12.	Our key audit procedures included: • Obtaining an understanding of the changes in terms and considering this treatment under FRS102. • Reviewing and agreeing the release of accrued interest and effective interest on the redemption charge to the point of the change of terms. • Reviewing and considering the client's assessment of the likely redemption charge and the effective interest charge to be recognised within the financial statements. • Creating an expectation of the interest rate from 24 December 2020 when the new terms were adopted to the period end. • Obtaining direct confirmation of the period end loan balances. • Reviewed the adequacy and completeness of disclosures.

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

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 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 AUDITOR'S REPORT TO THE MEMBERS OF WEIRD FISH CLOTHING 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 for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit is capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.
We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements such as the Companies Act 2006. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statements items.
In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the company for fraud. The laws and regulations we considered in this context for the UK operations. in addition to the Companies Act 2006, were taxation legislation and the rules of the International Stock Exchange.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be in the potential override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, and reading minutes of meetings of those charged with governance, which although for the group, were reviewed for implications for this company.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing noncompliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEIRD FISH CLOTHING LIMITED (CONTINUED)

Chris Mould (Senior Statutory Auditor)
for and on behalf of
Crowe U.K. LLP
Statutory Auditor
4th Floor
St James House
St James' Square
Cheltenham
GL50 2QJ
Date: 16.12.2021

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 27 DECEMBER 2020

	Note	**Period ended 27 December 2020 £**	Period ended 29 December 2019 £
Administrative expenses		**(171,980)**	(114,699)
Operating loss		**(171,980)**	(114,699)
Interest payable and similar expenses	7	**1,612,492**	(1,059,236)
Profit/(loss) before tax		**1,440,512**	(1,173,935)
Profit/(loss) for the financial period		**1,440,512**	(1,173,935)

There was no other comprehensive income for 2020 (2019:£NIL).

The notes on pages 16 to 26 form part of these financial statements.

WEIRD FISH CLOTHING LIMITED
REGISTERED NUMBER: 10678491

BALANCE SHEET
AS AT 27 DECEMBER 2020

	Note		27 December 2020 £		29 December 2019 £
Fixed assets					
Investments	9		**4,910,922**		4,910,922
			4,910,922		4,910,922
Current assets					
Debtors: amounts falling due within one year	10	**1,200**		1,000	
		1,200		1,000	
Creditors: amounts falling due within one year	11	**(462,125)**		(352,083)	
Net current liabilities			**(460,925)**		(351,083)
Total assets less current liabilities			**4,449,997**		4,559,839
Creditors: amounts falling due after more than one year	12		**(5,348,154)**		(6,898,508)
Net liabilities			**(898,157)**		(2,338,669)
Capital and reserves					
Called up share capital	14		**460,000**		460,000
Profit and loss account			**(1,358,157)**		(2,798,669)
			(898,157)		(2,338,669)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 December 2021.

....
J Goodwin
Director

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 27 DECEMBER 2020

	Called up share capital	Comprehensive income	Total equity
	£	£	£
At 31 December 2018	**460,000**	**(1,624,734)**	**(1,164,734)**
Comprehensive expense for the period			
Loss for the period	**-**	**(1,173,935)**	**(1,173,935)**
Total comprehensive expense for the period	**-**	**(1,173,935)**	**(1,173,935)**
At 29 December 2019	**460,000**	**(2,798,669)**	**(2,338,669)**
Comprehensive income for the period			
Profit for the period	**-**	**1,440,512**	**1,440,512**
Total comprehensive income for the period	**-**	**1,440,512**	**1,440,512**
At 27 December 2020	**460,000**	**(1,358,157)**	**(898,157)**

The notes on pages 16 to 26 form part of these financial statements.

1. General information

Weird Fish Clothing Limited is a private company, limited by shares, domiciled in England and Wales, registration number 10678491. The registered office is Unit 15 Miller Court, Severn Drive, Tewkesbury Business Park, Tewkesbury, Gloucestershire, GL20 8DN.

The principal activity of the Company during the period continued to be that of a holding company.

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 is a wholly consolidated subsidiary of Weird Fish Holdings Limited. It is included in the financial statements of Weird Fish Holdings Limited. The Company therefore claims exemption from the requirement to prepare consolidated financial statements by virtue of section 400 of the Companies Act 2006. Weird Fish Holdings Limited is the smallest and largest group to consolidate these financial statements.

The company's functional and presentational currency is the pound sterling.

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 Weird Fish Holdings Limited as at 27 December 2020 and these financial statements may be obtained from Unit 15 Miller Court, Severn Drive, Tewkesbury Business Park, Tewkesbury, Gloucestershire, GL20 8DN.

2. Accounting policies (continued)

2.3 Going concern

The company is reliant on the trading performance of Weird Fish Limited and the Directors of Weird Fish Limited have provided an indication of support.

The Group undertook a banking facility review which concluded in March 2020, the result was an increase to the extended facilities through Santander UK Plc. The extended facilities following the review were £5.49m working capital facility with Santander UK Plc. To support the business through the pandemic Santander provided an unsecured overdraft of £1.2m, following the rapid bounce back of the business during 2020 this facility was renewed at £0.5m which makes the ongoing facilities with Santander £4.79m. The group has not had need to utilise the overdraft facility during 2020 and 2021. The directors have been providing Santander with regular business updates and Santander remain supportive of the management and business.

During the period Total Capital Partners Dory Investment LP have amended the terms of its loan notes within Weird Fish Clothing Limited to remove all accrued and unpaid interest along with committed capital repayments and to reduce the future interest rate on Loan Notes A & B to 3% per annum paid quarterly along with reducing the redemption premium to a maximum of 25%. As part of this restructure, the management were issued 177,500 D Ordinary shares in Weird Fish Holdings Limited (ultimate Parent), the combined B, C and D ordinary shares are entitled to 30% of the equity proceeds. This restructure was completed on the 24 December 2020. This provides additional funding flexibility, cash headroom and incentive for the Group to invest in the growth of the Ecommerce business moving forwards.

Despite the pandemic and continued disruption into 2021, the SS21 season demand has been strong both from the B2B customer and also the direct customers. This is further supported by the SS22 forward order book closing at £4.2m (expectation £3.8m) which indicates the continued strong customer demand for the brand. The intake margin for SS22 has decreased by 2.4% over SS21 as a result of the global supply chain pressures which have increased raw material prices and transportation costs, this decline has been reflected within the forecasts.

As part of their assessment of going concern, the directors of Weird Fish Clothing Limited have considered the above factors and have prepared detailed profit and loss, balance sheet and cash flow forecasts extending to 26 December 2022. These show that the group and company have sufficient funds to support and invest in its activities, based on the forecasted trading levels, for a period of at least 12 months from the date these financial statements have been signed. The forecasts incorporate the funding terms from Santander and Total Capital referred to above.

The Directors of Weird Fish Clothing Limited and The Group, considering all of the above, have resolved to prepare the financial statements for the period ended 27 December 2020 on the basis of going concern.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

2. Accounting policies (continued)

2.5 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.

2.6 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 and loans to related parties. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

2.7 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.

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 and presented separately within the disclosure.

2.9 Taxation

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. Accounting policies (continued)

2.10 Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with its parent or with members of the same group that are wholly owned.

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

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under them circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Impairment of investments

The Company makes an estimate of the recoverable value of its investments. When assessing any impairment of investments in subsidiary undertakings, management considers current and expected future trading performance of the respective companies and the environments within which they operate.

The company carries out an annual assessment of the current carrying value of investments for impairment. Detailed calculations are performed based on expected value in use cash flows of the business and discounting these at an appropriate discount rate, the determination of which requires the exercise of judgment. Following the Directors' assessment, there is no impairment required as at 27 December 2020.

(ii) Accrued finance costs

The Company accrues the redemption premium due on the Loan Notes using an effective interest rate based on a judgement of the settlement date. The redemption premium is due on a ratchet which is linked to the enterprise value achieved.

4. Auditor's remuneration

The cost of auditors' remuneration is borne by the Company's subsidiary Company, Weird Fish Limited.

5. Employees

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

	Period ended 27 December 2020 No.	Period ended 29 December 2019 No.
	5	5

6. Directors' remuneration

The remuneration of the directors is borne by Weird Fish Limited, a subsidiary of the Company. The disclosure shown in the accounts of Weird Fish Limited is as follows.

	27 December 2020 £	29 December 2019 £
Directors' emoluments	**525,936**	486,942
Company contributions to defined contribution pension schemes	**21,088**	20,568
Consideration paid to third parties for services of a director	**-**	3,775
	547,024	511,285

During the period retirement benefits were accruing to 4 directors (2019 - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £191,911 (2019 - £198,543).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £8,150 (2019 - £8,150).

7. Interest payable and similar expenses

	Period ended 27 December 2020 £	Period ended 29 December 2019 £
Credit on renegotiation of Loan Notes	**(1,623,707)**	-
Loan note interest payable	**11,215**	1,059,236

On the 24 December 2020 Total Capital Partners Dory Investment LP have amended the terms of its loan notes to remove all accrued and unpaid interest along with committed capital repayments and to reduce the future interest rate on Loan Notes A & B to 3% per annum paid quarterly along with reducing the redemption premium to a maximum of 25%.

At the same time the holders of the Loan Notes C also amended their terms to remove all accrued and unpaid interest and to reduce the future interest rate on the Loan Notes C to nil.

The above credit therefore represents the unwinding of the accrued and unpaid interest, with the position being reassessed from 24 December 2020.

8. Taxation

Factors affecting tax charge for the period

The tax assessed for the period is lower than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	Period ended 27 December 2020 £	Period ended 29 December 2019 £
Profit/(loss) on ordinary activities before tax	**1,440,512**	(1,173,935)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	**273,697**	(223,048)
Effects of:		
Expenses not deductible for tax purposes	**(101,717)**	223,048
Group relief	**(171,980)**	-
Total tax charge for the period	**-**	-

There were no factors that may affect future tax charges.

9. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 30 December 2019	**4,910,922**
At 27 December 2020	**4,910,922**
Net book value	
At 27 December 2020	**4,910,922**
At 29 December 2019	4,910,922

On 22 April 2017 the company acquired 100% of the ordinary share capital of Weird Fish Limited. Consideration was settled by way of the issue of loan notes and shares. Included in the above is acquisition costs capitalised of £466,165.

Direct subsidiary undertakings

Name	Class of shares	Holding	Principal activity
Weird Fish Limited	Ordinary	100%	Lifestyle clothing and accessories

Indirect subsidiary undertakings

Name	Class of shares	Holding	Principal activity
Weird Fish Retail Limited	Ordinary	100%	Dormant

The registered address of both subsidiary undertakings is in England.

10. Debtors

	27 December 2020 £	29 December 2019 £
Prepayments and accrued income	**1,200**	1,000
	1,200	1,000

11. Creditors: Amounts falling due within one year

	27 December 2020 £	29 December 2019 £
Capitalised borrowing costs	**(62,138)**	(62,138)
Amounts owed to group undertakings	**524,263**	414,221
	462,125	352,083

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

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

	27 December 2020 £	29 December 2019 £
Loan notes	**5,367,223**	6,979,715
Capitalised borrowing costs	**(19,069)**	(81,207)
	5,348,154	6,898,508

Secured Loans

Loan notes comprise A loan notes, B loan notes and C loan notes. These are secured by a composite guarantee and debenture. The A and B loan notes are listed on The International Stock Exchange (TISE). The C loan notes are director loan notes.

The A loan notes, which have a carrying value of £491,052 (2019: £572,147), are repayable by a single instalment on 30 April 2022, and incur a redemption premium of up to 25% of the principal, the redemption premium can reduce to nil subject to the enterprise value on an exit. The redemption premium becomes payable on a repayment of the principal. This is being accrued under an effective rate of interest.

The B loan notes, which have a carrying value of £4,741,685 (2019: £6,261,992), are repayable by a single instalment on 30 April 2023, and incur a redemption premium of up to 25% of the principal, the redemption premium can reduce to nil subject to the enterprise value on an exit. The redemption premium becomes payable on a repayment of the principal. This is being accrued under an effective rate of interest.

The company has the option to make early repayments on principal amounts.

The C loan notes, which have a carrying value of £134,486 (2019: £145,576), are repayable by a single instalment on 30 April 2025.

On 24 December 2020 the Loan Notes A, B & C were varied to remove all accrued and unpaid interest and reduced the interest on the A&B Loan Notes to 3% per annum paid quarterly from March 2021 at the same time the interest on the C Loan Notes was removed.

The Company is dependent on the performance of its subsidiary, Weird Fish Limited, in order to meet its obligations. The directors closely monitor the performance of Weird Fish Limited.

13. Loans

Analysis of the maturity of loans is given below:

	27 December 2020 £	29 December 2019 £
Amounts falling due 2-5 years		
Loan notes	**5,367,223**	6,834,139
Amounts falling due after more than 5 years		
Loan notes	**-**	145,576
	5,367,223	6,979,715

14. Share capital

	27 December 2020 £	29 December 2019 £
Allotted, called up and fully paid		
460,000 (2019 - 460,000) Ordinary shares of £1.00 each	**460,000**	460,000

All shares rank pari passu.

15. Contingent liabilities

Weird Fish Limited, a subsidiary of the Company, has a £5.49m working capital facility with Santander UK Plc. There is a fixed and floating charge over the assets of the company in relation to the banking arrangements.

There were no other contingent liabilities at 27 December 2020 or 29 December 2019.

16. Related party transactions

During the period, the Company was charged professional fees of £100,000 (2019: £100,000) by a partnership and Company connected to the shareholders of Weird Fish Holdings Limited.

During the period the Company repaid £Nil (2019: £Nil) of the principal debt and £Nil (2019: £Nil) of interest was paid on loan notes from a partnership connected to the shareholders of Weird Fish Holdings Limited. At 27 December 2020 the balance of the loan notes was £5,221,522 (2019: £5,221,522) and the accrued interest was £11,215 (2019: £1,612,617).

During the year, the company received loans in the form of loan notes of £Nil (2019:£Nil) from certain Directors. At 27 December 2020 the balance of the loan notes was £134,486 (2019: £134,486) and accrued interest was £Nil (2019: £11,090).

On the 24 December 2020 the Loan Notes A & B were varied to reduce the interest payable to 3% per annum and remove all planned capital repayments. Accrued and unpaid interest was waived, and the redemption premium attached to the Loan Notes A & B was also reduced to a maximum of 25%. The Loan Note C were varied to remove all accrued and unpaid interest and remove future interest charges.

17. Post balance sheet events

On the 23 June 2021 overdraft facility within Weird Fish Limited, the subsidiary on which this company relies, was renewed with Santander UK Plc at £500k, the previous limit was set at £1.2m which was provided to support the business through the COVID-19 pandemic. The total facilities with Santander UK Plc following this amendment are £4.79m. The business did not have a need to utilise the £1.2m overdraft during the term it was in place from 6 August 2020 to 23 June 2021.

18. Ultimate parent company and ultimate controlling party

The immediate and ultimate parent Company, and the smallest and largest group to consolidate these financial statements is Weird Fish Holdings Limited, a Company registered in England and Wales. Copies of Weird Fish Holdings Limited accounts can be obtained from the regsitered office, which is Unit 15 Miller Court, Severn Drive, Tewkesbury Business Park, Tewkesbury, Gloucestershire, GL20 8DN.

The ultimate controlling party is Total Capital Partners LLP in the current period and preceeding period.