Angling Direct
Getting Everyone Fishing

Angling Direct Plc

Getting Everyone Fishing

2022 Annual Report and Financial Statements

1. Strategic report

2. Governance report

3. Financial statements

View online at: **www.anglingdirect.co.uk/corporate**

Getting Everyone Fishing

Our purpose is to inspire everyone to get outdoors and enjoy an exceptional fishing experience. As the market leader in the UK, we are one of Europe's leading omni-channel retailers of fishing tackle and fishing equipment. Our success comes from delivering the very best customer experience, driven by the expertise and passion of our exceptional colleagues. The year to 31st January 2022 has been another year of profitable growth and significant strategic progress. I would like to thank everyone at Team AD for their exceptional commitment, resilience and future looking enthusiasm

Andy Torrance
CEO

Key highlights

7.2%

Sales growth

250bps

improvement in gross margin

50.6%

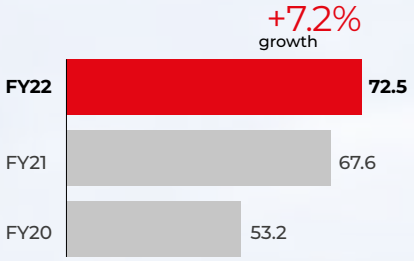
Profit before income tax 50.6% growth

Our key objective in FY22 was to continue to build an agile platform to grow UK market share by improving customers experiences and optimising our core business return through improved product margins and increased efficiencies. Additionally, we executed the opening of our European distribution centre to provide greater access to European markets and negate post Brexit customer and cost headwinds.

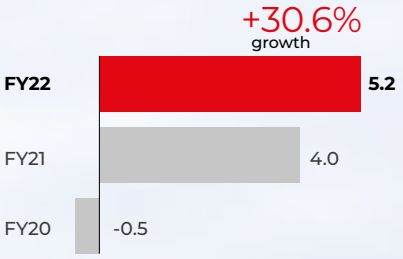
Overall, our sales revenues grew by 7.2% to £72.5m, our gross margin improved by 250bps to 36.7% and profit before tax increased 50.6% to £4.0m as we continue to take market share within the UK. Despite the headwinds the Group faced as a result of COVID-19 we made significant strategic and operational progress by continually adapting our ways of working to enable the European distribution centre opening to be completed ahead of the spring 2022 fishing season.

Our focus has been on developing the very best omni-channel customer experience and delivering operational excellence within our markets. To create capacity for further growth we've continued to invest in our digital and physical infrastructure, colleagues and organisational capability.

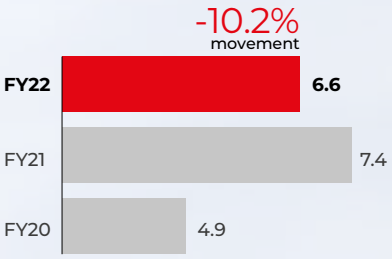
Revenue (£m)



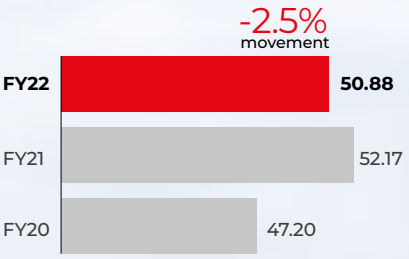
Pre IFRS 16 EBITDA (£m)



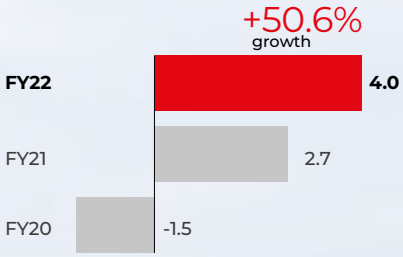
UK website visitors (m)



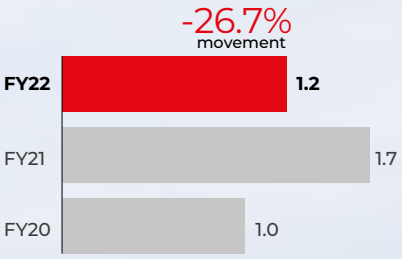
Average customer baskets (£)



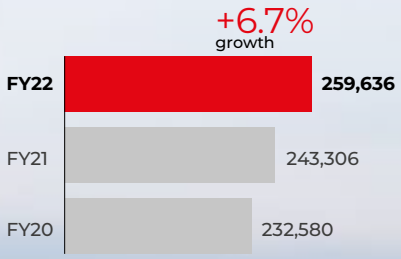
Profit / (loss) before tax (£m)*



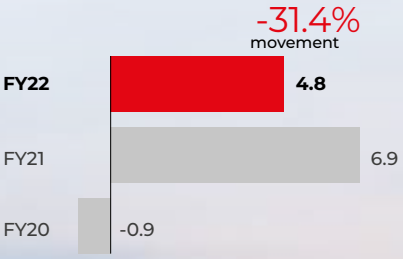
Native language website visitors (m)



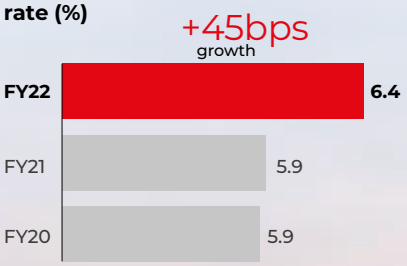
Customer database



Operating cash flow (£m)*



UK Website customer conversion rate (%)



* restated see note 4 to the financial statements

Martyn Page
Non-Executive Chairman

Chairman's statement

"I am pleased to present yet another successful performance, both in terms of the robust financial results, significant operational improvements and in making positive differences through our continued focus on our purpose and experiential culture."

31 January 2022

Dear Shareholders,

Introduction and Board changes

I am pleased to present yet another successful performance, both in terms of the robust financial results, significant operational improvements and in making positive differences through our continued focus on our purpose and experiential culture.

As the 2022 financial year began COVID-19 was still having a major impact, indeed it is still, with the continued sad loss of lives, lockdown store closures and shortages of materials and products. Fortunately, since April 2021 the Group's retail stores have remained open and a new normal began to unfold as the year progressed, however, Brexit continued to present challenges to many UK businesses, including ourselves. More recently a dreadful situation has arisen with Russia's invasion of Ukraine and our thoughts are with all the people affected by this.

We are passionate about getting everyone fishing and Angling Direct operates in a specialist niche sector and one highly regarded for its wellbeing benefits of time spent outside beside the water. Our business has continued to grow, helping the Group to deliver record sales, not only because of continuous improvements to our processes and efficiencies but very much due to our strength of purpose, and desire to get everyone enjoying a successful and accessible fishing experience.

There were two changes to the Board during the year. Darren Bailey, the Group's previous CEO, stepped down as a Non-Executive Director at the AGM on 23 June 2021. Once again, I offer my heartfelt thanks for everything he has done for the Company over the years. At the same time, in view of my confidence in the experience and dedication shown by our Executive Directors, Andy Torrance and Steve Crowe, I stepped down as an Executive and moved to Non-Executive Chairman.

Post period end, we were pleased to welcome Chris Keen to the Board as an Independent Non-Executive Director. His extensive financial and omni-channel leadership experience, particularly in the retail sector, will be invaluable as we strengthen our Board and look to achieve further progress in 2022.

Operational progress

The Group maintained a strong emphasis on profitable growth, stock shrinkage and cash retention. In addition, there has been a particular emphasis on stock and product/sector categorisation (right product in the right location) and we continue to increase distribution efficiencies and capacity. We also reviewed labour to turnover ratios and improved efficiencies to provide store colleagues with more sales and customer time.

We continued our online ecommerce development to obtain benefits from ongoing inhouse improvements and to enhance customer online experience. To this end we developed and launched the Angling Direct app.

We opened four new stores in the year, taking our total to 42 stores, and relocated another into better premises, while also refitting and updating in the wider estate, constantly aiming to improve the customer experience.

A major achievement in the year was incorporating our European subsidiary in the Netherlands, locating and securing a European Distribution Centre site and embarking on the fit out. Post the year end, this new facility successfully commenced distribution to our European customers, helping to negate the issues brought by Brexit while delivering on our strategy to drive our European expansion.

These initiatives will have a positive impact on the Group's operating efficiency in the years ahead as we continually drive for further improvements to develop our offering and broaden our customer reach.

Financial overview

The Group achieved a record revenue of £72.5m in the financial year to 31 January 2022 (2021: £67.6m, up 7.2%).

Whilst stores were affected by forced closure at the beginning of the year, store sales were £38.7m (2021 £32.3m) and, reflecting the large increase against the prior year when stores were closed for a much longer period, our total online sales decreased by 4.3% to £33.8m from £35.3m. Within this, UK Online increased by 2.7% to £31.1m from £30.3m.

With continuing efficiencies, despite shortages of some products, the Group delivered a pre-tax profit of £4.0m (2021 £2.7m) and a 250bps improvement in gross margin to 36.7%. The Group ended the year with a strong balance sheet and net cash of £.16.6m as at 31 January 2022.

£72.5m

Record growth

Record revenues grew 7.2%

£4.0m

Group pre tax profit

Group pre tax profit grew 50.6%

People & community

We strongly believe that we can and should help improve the lives of everyone who engages with us. As such, we aim to not just enhance the lives of anglers and colleagues, but also to have a positive impact on our suppliers, shareholders, local communities, wider society, and the environment.

Our incredible team of colleagues share our vision and passion to deliver the very best experience to anyone that interacts with Angling Direct.

Ours is a passion to introduce the benefits of fishing to as many people as possible, through promotion, coaching, education and advice. We now have qualified angling coaches in all our stores and are also teamed with the Angling Trust and their "Get fishing" campaign. We endorse evidence that fishing is a great way to improve all round wellbeing and we support bodies set up to encourage those with disabilities, of any kind, to benefit from fishing.

"A major achievement in the year was incorporating our European subsidiary in the Netherlands, locating and securing a European Distribution Centre site."

36.7%

Gross margin

Improvements to gross margin resulted in 250bps increase (2021: 34.2%)

"Angling Direct has a clear purpose, a robust operational framework and growing reach which has allowed the Group to deliver another year of sound financial results."

Looking ahead

In concluding, as in the previous year, it has been another year of great difficulty, turmoil and sadness for the whole world, and we are respectful that many individuals and business have experienced a material impact. However, Angling Direct has a clear purpose, a robust operational framework and growing reach which has allowed the Group to deliver another year of sound financial results.

The World continues to be faced with many major challenges at this time the impact of which are difficult to predict. The Board continues to monitor these evolving situations closely and will take the required steps to deliver on our promises to colleagues and customers. I am excited by continued opportunities for growth which lie ahead for the Group, within both our stores and online customer offerings. The opening of our new distribution centre in Europe facilitates the acceleration of European growth strategy, whilst continued investment in our UK infrastructure will allow us to continue to grow market share domestically.

On the direct issues where we can make a difference to the company, our customers and the angling world, I am so grateful and in awe of the way that everyone at Angling Direct works together as one "Team AD" to rise to and overcome the challenges, to delivering strong results for the year, and to ensuring the company is well placed to move forwards on its incredible journey, a journey full of purpose, ambition and passion.

Yours sincerely

Martyn Page
Non-Executive Chairman

16 May 2022

At a glance

We are by some way the largest omni-channel specialist fishing tackle retailer in the UK with an increasing presence in Europe. We have over 7.8 million visitors to our five websites each year, fulfilling online transactions from either our UK or newly opened European distribution centres. On average, over 25,000 transactions are completed each week in our stores.

Our store teams are a vital touch point between Angling Direct and our local fishing communities. Our colleagues are all angling specialists with an infectious enthusiasm for fishing. For our customers, our stores complement our leading digital presence, providing market leading, hands-on service, advice and inspiration, as well as a real sense of community.

Our best-in-class websites, our recently launched trading app, which we believe is the only one of its kind serving angling customers and our social media channels extend our reach to a growing number of anglers throughout the UK and Europe, providing contemporary digital content and access to thousands of quality fishing tackle products, seamlessly fulfilled, in many cases next day.

42 stores

Good access, convenient locations in high density fishing catchments

5 websites

Five market leading websites .uk, .de, .fr, .nl and .eu with over 28,000 products across all major brands

Trading App

Trading App, tackle and content on the go, multilingual

Inclusive

All abilities, five major fishing disciplines: Carp, Coarse, Predator, Sea and Game

Distribution

Two distribution centres, UK and EU, total 6,700 sq m, 2,900 pallet capacity, over 100 suppliers

Social

Market leading, multilingual reach: (Instagram 112,000, Facebook 132,000, Twitter 12,800, ADTV 43,700, 2.6m views)

TeamAD

410 passionate angling colleagues, multi discipline and highly respected

Leading advice

81 Angling Trust qualified coaches

Superior service

Multilingual in-house customer service, marketing and social media

Andy Torrance
Executive Director and
Chief Executive Officer

Chief Executive's review

Introduction

FY22 was in many ways another unprecedented year with further pandemic restrictions continuing to both underpin the logic for, but also test the flexibility of our omni-channel business model as we annualised exceptional prior year sales growth. I'm very pleased to report that not only has our amazing 'Team AD' been able to maintain our strong sales record, with total sales increasing by 7.2% to £72.5m, but they have also risen to the challenge and ensured that we made solid strategic progress across the business to deliver profitable growth, especially as we begin to execute our plans to accelerate European sales which currently account for less than 4% of Group revenue. I would like to thank all my colleagues for their exceptional commitment, ongoing resilience, and above all, their forward-looking enthusiasm again during this year.

As the UK market leader with a purpose of Getting Everyone Fishing, Angling Direct is uniquely placed to deliver further improved growth within the thriving and significant European fishing tackle market as people of all backgrounds discover the restorative pleasure, challenge and wellbeing benefits of angling.

This is my second full financial year as CEO. After a first year focused upon optimising the core business return and the initial challenges of the pandemic, our ambition in this period was to continue to profitably grow market share in the UK whilst simultaneously commencing execution of our plan to expand and trade more efficiently in the significant and highly fragmented European market. As a result of our strong balance sheet, we continued to invest in order to strengthen the Group, to align with its purpose and strategic growth ambition. In addition to establishing our dedicated European warehouse in the Netherlands, we focused on developing our customer offer, protecting and improving our profit margins, and securing stock supply to ensure that our investments generate a sustainable return for all stakeholders.

It was a pleasure to see customers returning to our stores and our strong growth was driven by robust store sales as COVID-19 trading restrictions eased during FY22. 70 store trading days were lost to COVID-19 trading restrictions in the year, compared to 134 in FY21. Total store sales increased 19.9% against FY21 and 38.4% on a two-year basis, including £0.7m sales from the four new stores opened in the year, three of which were in the final quarter. As expected, given the annualisation of non-comparable trading restrictions, total online sales declined modestly by 4.3% (there

"Having a clear engaging purpose and bold ambition has allowed us to take significant strategic steps, whilst tactically growing and strengthening our market leading position"

Andy Torrance

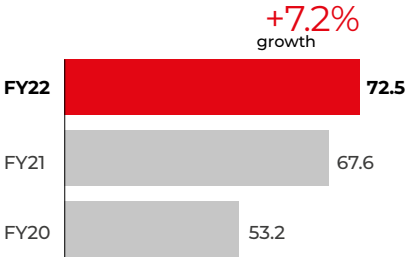
were large periods of FY21 where the business was only able to sell online which distorted sales channel mix for the year as a whole) but grew on a two-year basis by 33.9%. Pleasingly, given this expected channel shift, UK online sales (representing 92% of total online sales) increased by 2.7% as we continued to develop our platforms to drive increases in both conversion rate and average transaction values. We acted early to mitigate against Brexit related increased export costs and this, combined with increased fulfilment times and range restrictions, meant that our total European sales reduced by 39.3%, declining 21.8% in our key territories of Germany, France and the Netherlands.

We continued to maintain a disciplined trading approach, promoting all that Angling Direct has to offer, coupled with a structured approach to pricing and inventory management achieving a 250bps improvement in gross margin and a 15.1% gross profit improvement on the prior year to £26.6m. Consequently, profit before tax improved 50.6% against FY21 to £4.0m. Strong trading, balanced by deeper stock investment, meant operating cashflow remained positive but declined year on year by 31.4% to £4.8m.

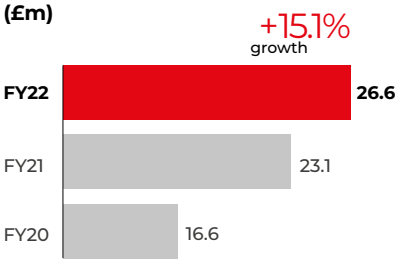
As previously reported, we suffered a malicious and disruptive cyber-attack in November 2021, in the midst of our European systems development project. After over 18 months of pandemic response, the Angling Team dug deep into their reserves and demonstrated again what a resilient and dedicated team they are. Thankful for earlier investments made in our systems infrastructure, once access and control were re-established, we were able to quickly re-build our web platforms. We have since provided all of the required information to the Information Commissioner's Office and they have closed their investigation with no action taken. Further, we have thoroughly reviewed our security protocols and made necessary changes but, as with all other businesses, we remain ever vigilant to this threat. I would like to thank our loyal customers for their patience and understanding during the disruption caused at this time.

Whilst the impacts of the pandemic are still being felt and significant consumer confidence and global security uncertainty persists, I am pleased that we have remained focused on our clear purpose and strategic opportunities across the breadth of our business. In particular, the opening of our new European distribution centre in the Netherlands is a significant step towards facilitating the full Angling Direct omni-channel offering within this highly attractive and sizeable market. I am confident that the investments we have made, and will continue to make, mean we are well positioned to get even more people fishing and continue to deliver sustainable, profitable growth.

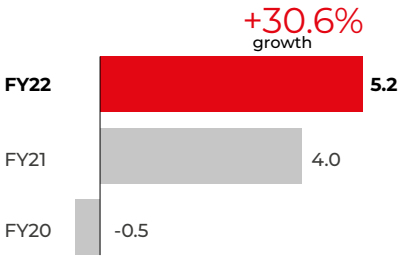
Revenue (£m)



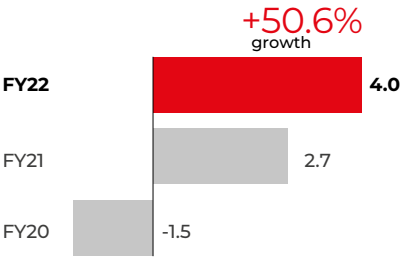
Gross margin (£m)



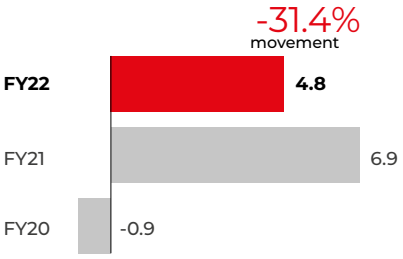
Pre IFRS 16 EBITDA (£m)



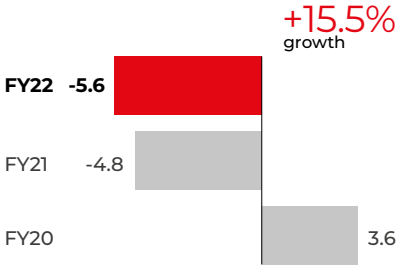
Profit / (loss) before tax (£m)*



Operating cash flow (£m)*



Net debt / (cash) (£m)*



* restated see note 4 to the financial statements

Financial and commercial KPIs

We use a range of financial and commercial key performance indicators to support delivery of our strategy.

Financial KPIs:

Revenue – Revenue is a measure of sales growth across all channels within the Group. By growing revenue we are able to understand how well we serve new and returning customers and to what extent we are growing our market share.

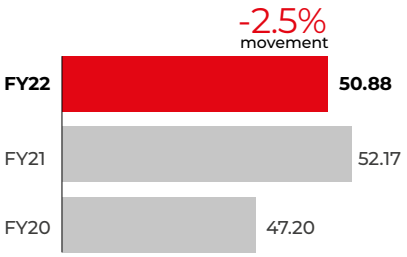
Gross margin – Gross margin represents revenue after deducting the cost of products after associated trade and settlement discounts as well as deductions for estimated stock losses and reductions to reduce stock to its net realisable value. It is a KPI as it helps us measure our performance at ensuring products for resale are purchased at the best cost and resold at optimised retail prices, representing great value to our customers.

Pre-IFRS 16 EBITDA – Measuring adjusted EBITDA assists in understanding the underlying performance of the Group consistent with its objective to grow in a sustainably profitable way. The measure is aligned with the way our institutional investors and colleagues review the operating performance of the business.

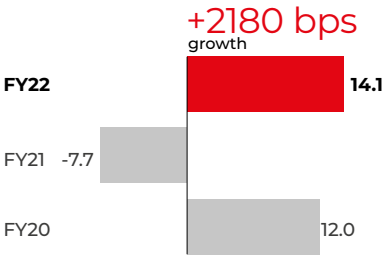
Operating cash flow – Operating cash flow is a measure of net cash generated from operating activities before financing and capital expenditure. This is important to measure as it allows us to strategically reinvest in the future growth of the business.

Net debt / (cash) – Net debt represents the Group's IFRS 16 lease liabilities less the cash position as at the reporting date. The KPI measures the Group's gearing of its balance sheet from its lease commitments and helps the Group evaluate its continued roll out of its store portfolio and distribution footprint.

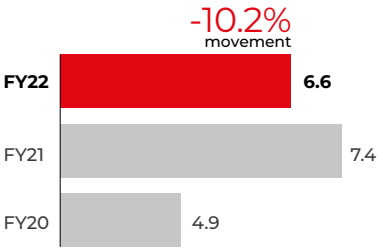
Average customer baskets (£)



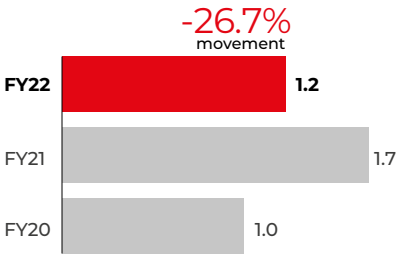
Like-for-Like sales (%)



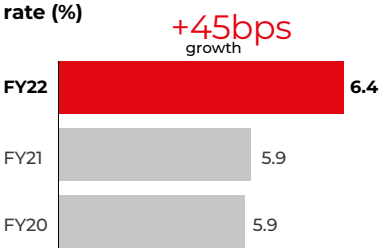
UK website visitors (m)



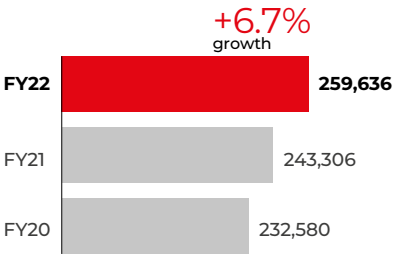
Native language website visitors (m)



UK Website customer conversion rate (%)



Customer database



Commercial KPIs:

Average customer baskets – A measure of total sales revenue divided by the total number of net customer orders. We measure this to ensure that we are continually challenging ourselves to fine tune our product and service offering in order to best fulfil the needs of our customers.

Like-for-Like sales – Like for like sales revenue from stores trading the full prior financial year. By growing like for like sales we can measure how well we are serving current catchment and deepening our relevance to local fishing communities.

UK website visitors – A distinct user who visits the Anglingdirect.co.uk website. This helps us understand the efficiency and return generated from our digital marketing expenditure in the UK. This is important as it re-engages existing customers and extends our reach to new site visitors.

Native language website visitors – A distinct user who visits either of the Angling Direct .de, .fr or .nl websites. This helps us understand the efficiency and return generated from our digital marketing expenditure within our key target European markets. This is important as it re-engages existing customers and allows us to promote our brand for trial within new territories.

UK Website customer conversion rate – the rate at which visitors visiting our websites ultimately decide to transact. This is an important measure of how engaging and straightforward our site is to use as well as how well our search tools work taking customers to compelling prices from the full range of our product offering.

The Group has not attempted to separate the impacts of COVID-19 on its underlying business performance as the Board is of the opinion this would be highly subjective and unreliable. All costs and income are included within our key financial and commercial KPIs.

Business review

"To drive market share gains in the EU, improve our customer offer, and overcome post Brexit trading restrictions and increased costs, a key priority was to establish in region European fulfilment."

24.9%

Advanta growth

Significant stock investment in Advanta own brand range let to sales growth

9,311

AD+

9,311 AD+ priority delivery subscription scheme subscribers in first year

Focused strategic progress in another turbulent year

We set out to maintain our UK growth momentum and protect margins, as well as activating plans for efficient European expansion, whilst wanting to remain agile to navigating challenges brought about by the pandemic, particularly our response to ongoing supply chain uncertainty. We have continued to focus on driving operational excellence, return on capital, and improving our customers' experience whichever sales channel they choose.

Operational excellence

Our investment in A.I. driven web search software has allowed our customers to experience increased site speed and improved search relevance. To drive customer loyalty and repeat purchase, we introduced AD+, our priority delivery subscription scheme, attracting 9,311 subscribers in its first year. Q4 saw the soft launch of our web trading App, which we believe is the first of its kind, allowing customers to access our full product range and rich content from the bankside. We have embedded a new email marketing platform driving 50%+ growth in email channel revenue. These initiatives, along with an ongoing drive to develop fresh relevant digital content, meant our UK online conversion rate improved by 45bps to 6.38%.

We continued to promote not only our everyday price competitiveness but also to highlight the breadth of our ranges, the quality of our service and customer inspiration. Our own brand (higher margin) Advanta grew by 24.9%.

To drive market share gains in the EU, improve our customer offer, and overcome post Brexit trading restrictions and increased costs, a key priority was to establish in region European fulfilment. We incorporated a new trading subsidiary ADNL BV which allowed us to complete a lease for a new distribution centre in Venlo, south Netherlands. After a huge organisational effort this facility opened in March 2022, ahead of the Spring fishing season with the majority of set up capital falling within this financial period.

In the UK distribution centre, our colleagues continued to work flexibly in response to COVID related store closures shifting channel demand. Streamlined goods in, increased packing bench capacity, multi skilling and ongoing review of operating practices improved labour cost distribution efficiency by 50bps, to 3.0% for the full year. We utilised recently increased pallet storage capacity to secure forward stocks of key lines, in particular our own brand Advanta range.

Across our supply chain we continued to focus upon process compliance, shrinkage and obsolescence management which resulted in a reduction in stock loss leading to margin accretion of c.23bps. Our category team have made good progress reviewing product range selection, optimising use of space and margin in store.

To further improve our in store experience, we deployed 81 Angling Trust qualified angling coaches, re-structured our field management team and, utilising newly installed footfall counters, re-allocated labour spends to match customer demand. We also developed and trialled our bespoke active selling programme BAITS in Q4 to drive conversion in the future. Average transaction values in store reduced by 1.9% to £39.55 from £40.30.

Early in the pandemic, we saw some property development market slowdown, despite this we opened four new stores in new catchments unserved by Angling Direct, fitted out in our new format, three of which were in Q4. Our target new store locations are becoming increasingly clearer as we match potential sales volumes from licence sales data set against more optimised ranging, fit out and colleague costs.

Return on capital

Our Category Management team is now well established with a new Commercial Director appointed mid-year. A customer focused range review commenced in Q4, tailoring ranges within five major fishing disciplines, Carp, Coarse, Predator, Sea and Game, supporting more efficient space utilisation and further margin development. This ongoing approach will ensure Angling Direct remains the 'go to' fishing tackle retailer for all anglers, regardless of ability or fishing discipline. Category management will also inform our supplier management strategy by encouraging partners to align with our growth objectives for mutual benefit. Our gross margin across all channels grew by 250bps in the period.

We continued to work closely with our product suppliers in response to extended manufacturing lead-times and shipping disruption. Utilising our long-established relationships and the strength of our balance sheet, we consciously invested to deepen our stock inventory ahead of the new spring 2022 season, protecting our growth ambition and supporting the activation of our new European distribution centre. As a result of these actions, stock turn in the year moved to 3.0x from 3.6x.

To ensure the widest possible product availability for our online customers we continued to develop our 'single stock file' approach. Utilising store stock holding to supplement central stocks facilitated direct to customer from in-store online fulfilment, improving customer conversion and further optimising sell through and stock turn.

Plans to develop our own-brand Advanta range have progressed well, to some extent made possible by investing in our dedicated own-brand team. Exciting range extension, re-branding and re-packaging plans were initiated and are well progressed. New product started to arrive for Spring 2022, although unfortunately we aren't immune from well documented supply chain delays, meaning the bulk of new lines will arrive later in the spring. We hold good stocks and continue to promote ongoing Advanta products, as a result increasing participation of this range to 5.6% (£4.1m sales) of total sales, a growth of 24.9% in the period.

We continue to focus on improved decision making and a disciplined approach to new expenditure, including new store site selection. Our investment in timely management data provision, revised processes, and much improved visibility of our cashflows, have allowed more forward planning and better trading decisions as well as tactical stock investment. As at 31 January 2022 the Group had increased the strength of its Balance Sheet to £36.4m, including £16.6m of cash resources.

NEW GROWTH OPPORTUNITIES

EUROPEAN MARKETS

New growth opportunities – European markets

Our clear ambition is to become Europe's first choice omni-channel fishing tackle destination for all anglers, regardless of experience and ability.

We set out in the period to establish the viability and commence execution of in-region European distribution, reducing adverse post Brexit trading restrictions and allowing us to offer much more competitive customer fulfilment options, along with the opportunity to supplement our sought-after UK brand selection with increasingly tailored local ranges from new local suppliers.

As I mentioned earlier, we incorporated a wholly owned Dutch subsidiary, ADNL B.V., as a platform for accelerated growth into the significant, fragmented and highly attractive European angling market. In January 2022 ADNL B.V. signed a lease for a 3,900 sq m warehouse in Venlo, south Netherlands, ideally located to act as a centre for not only EU distribution, but also our growing European colleague team.

In the period we undertook the ambitious project to develop new ADNL B.V. trading and finance systems, fit out and stock the new facility and welcome a number of new colleagues in-country, ready to commence despatch to customers ahead of the Spring 2022 fishing season. This was a very significant project for a business of our size to undertake, especially given pandemic travel restrictions and the cyber-attack distraction. Early trading trends are supportive of the strategic rationale and I'm extremely proud of what's been successfully achieved so far and would like to thank my colleagues and our suppliers for the team effort that resulted in the facility despatching its first customer order on 1 March 2022. The distribution centre will service all orders generated outside the UK from our well-established native language German, French and Dutch websites, as well as our new .eu site, allowing us to despatch to all EU countries (an increase from 16 in FY21).

Alongside executing this project, we also acted quickly after Brexit to balance protecting our established core customer base against significant adverse costs and complexity as a result of leaving the EU. Throughout this period, we have been prevented from despatching B2C angling bait from the UK and we have incurred approximately 5.5% of sales in additional customs administration costs. Despite us complying from day one with all the increased administrative burden, well documented delays at customs borders have extended delivery lead-times to a level well in excess of our customers' reasonable expectations, in some cases as long as four weeks. As a result, our international sales in the period reduced to £2.7m (FY21: £4.4m) but we were able to mitigate the channel profitability impact, limiting the trading loss to £0.3m in the year.

Going forward we are now actively investing to grow market share in the EU with a particular focus on our five identified key territories, namely Germany, France, Netherlands, Belgium and Austria, a combined market we estimate to amount to c.£1.9bn. We continue to ensure that our three international sites (German, French and Dutch) replicate our UK platform in terms of functionality and richness of content, including our new web trading app. Our in-country teams will continue to locally tailor ranges, local marketing and social media engagement.

We believe the opportunity for a market leading, contemporary, genuinely omni-channel proposition in mainland Europe is clear and very attractive to a huge group of prospective new customers. We are now actively engaged in the planning of this next step, ensuring that options are rigorously reviewed, and potential actions planned to optimise returns for all stakeholders.

DIGITAL CAPABILITY

New growth opportunities - Digital capability

We are committed to utilising market leading contemporary digital technologies and have been able to call upon our significant stock depth, semi-automated distribution facility, multilingual customer care team and significant social media reach to ensure that we can provide our customers with market leading advice, engagement, service and inspiration.

This year we developed what we believe to be the first fishing tackle trading app of its kind, soft launching in Q4. Early take up and feedback has been encouraging and we have now commenced the next phase of development. Our customers will be able to interact, in multiple languages, with the full breadth of Angling Direct's range and digital content, with contemporary advice and inspiration as well as local community and the potential for personalised membership offers.

Additionally, our in-house web development team has continued to progressively deploy our new customer journey functionality designed to improve relevance and ease of use. Visitors have experienced further improved site speed, new content, such as our New to Angling feature, new store locator, local pages and improved blog navigation. Conversion rates in the UK further increased by 45bps to above 6.38%. Our proactive online marketing investment gave a return on paid advertising spend in the UK of 14.5x, a reduction of 12.7% over the prior year as a more competitive landscape for paid advertising emerged as supply chain issues eased.

EVOLVING STORE FORMATS

New growth opportunities – Evolving store formats

We are committed to delivering the very best physical retail interaction to create loyal customers and prompt recommendation. We opened four new retail stores during the period in Redditch (February 2021), Ipswich (November 2021), Southampton and Cheltenham (both January 2022). As well as specifically tailored product ranges, updated intensive merchandising techniques and improved clearer customer messaging, we have further refined our new store fit out concept to showcase new initiatives such as dedicated 'Learn to Fish' sections, space intensive hands-on rod and reel displays, tech demo tables, less pace intensive checkouts and dedicated personal finance areas.

We have refined our UK store property search and investment modelling bringing the total portfolio at the end of FY22 to 42 stores. Location-wise, we remain focused on the concentration of fishing licence sales as well as our local competitive profile. Our property investment model ensures any new site is targeted with delivering appropriate returns within a minimum acceptable time. As a destination retailer our preference is convenient, easy to access sites. It remains to be seen how the continued demise of premium High Street retail space (an asset class that we are not exposed to) impacts upon the cost and availability of our target destination locations and we continue to monitor developments closely.

We have continued to develop our colleague cadre of Angling Trust certified fishing coaches to ensure that our customers get the very best advice and support regardless of their fishing ability. Now with over 80 coaches and growing, several colleagues have now achieved their Level 2 qualification. Coaches can offer support in store as well as angling tuition at external bankside events.

In the period we devised and successfully trialled our unique in-house assisted sales and service model. Designed to make sure we always thoroughly understand the needs of our customers, in order to ensure they get the most from their purchases this training will be rolled out to all store colleagues during Q1 FY23.

Organisational capability.

As a growing business we continue to proactively invest in people's capability as well as capacity to support our growth plans. In the period we have appointed a new Commercial Director as well as welcoming new colleagues into our European team including experienced Commercial and Logistics managers.

We worked with specialist international web fulfilment partners in order to plan and establish our European distribution centre. We plan to manage the facility inhouse.

Having partnered with external specialist advisors, we have thoroughly reviewed our learnings from the November 2021 Cyber-attack and put in place additional monitoring and protection processes where applicable. Additionally, we continue to make prudent investments to ensure resilience, stability and growth capacity within our server provision for both our Epicor ERP and Magento web platforms.

Our colleagues and our role in the community

Our colleagues are the face of Angling Direct to our customers and are key to delivering an excellent service, both in store and online. They also play a key role in the angling community. We differentiate ourselves by providing expert help, trusted advice and inspiration for customers to get the most from their fishing.

Again, we were able to pay an enhanced all colleague annual Christmas bonus as a thank you for another successful year. Having reviewed our business planning processes, we were able to align functional objectives with our Purpose and Ambition, which facilitated for the first time incentivising our broader leadership team to deliver our annual business objectives. We continued to top up furlough payments to protect our colleagues' income. To promote our desire to 'Get everyone fishing', each team member now has the opportunity to take first time angling friends and family fishing for the day utilising an extra day's paid leave.

We established a colleague listening council, ADVoice, chaired by a colleague elected representative and attended by the CEO as well as other members of the senior leadership team. For the first time all colleagues received at least one development review during the year.

At Angling Direct, we passionately believe in the general wellbeing benefits of fishing and are very supportive of moves to include fishing as part of a programme for NHS social prescribing. To further facilitate this, we are working with Anglia Ruskin University to co-fund significant peer reviewed research in this area which we believe will raise awareness of not just the health benefits of angling but also the need to broadly invest in order to improve access for more people to fish.

We continue to work closely with Tackling Minds, a pioneering mental health charity which uses fishing as therapy. We offer support through the donation of fishing tackle, the utilisation of our social reach, our IT equipment, our colleagues' time at their events, as well as consulting expertise where necessary.

As market leaders we have a key role to play supporting fishing participation for the wider benefit of our industry. After a very successful first year as exclusive retail sponsors of the Angling Trusts 'Get Fishing campaign', designed to attract new anglers through a bankside coaching programme, we're delighted to continue into a second year. We were also principal retail sponsor of the Angling Trades Association 'National Fishing Month' designed to get more people out on the bank. We have co-funded the training of over 80 Angling Direct colleagues as certified angling coaches who will offer advice and support to anglers of all abilities, both in store and at local events.

We continued to extend our social media and YouTube reach. In the period, our Facebook reach exceeded 132,000 for the first time and we have now achieved over 125,000 viewing hours of our YouTube Channel, ADTV. We have seen particular success with our how to style, 'Quick Bites' skills development features. Using a fresh, new and more inclusive approach, we have featured various articles with colleagues of a broad range of ages, genders, fishing abilities and disciplines, designed to appeal to an ever more diverse customer base.

We take our responsibilities seriously and that extends to ensuring Angling Direct is a sustainable business across the areas of environmental protection, economic viability, and social equality. See pages 41 to 45 for more information on sustainability.

Outlook

We are extremely pleased with the Company's robust trading performance in FY22 alongside significant strategic and operational progress, through what has been another challenging year. Despite Government restrictions and the distractions of a substantial cyber-attack, we were able to continue to further grow our business, embed efficiencies and progress gross margin improvement. Establishing our European subsidiary and opening its dedicated EU distribution centre to service our native language websites is a significant strategic milestone and will facilitate further attractive growth opportunities.

We remain vigilant as to continuing challenges in the macro-environment such as rising inflation, supply chain disruption and Russia's invasion of Ukraine. Angling is not immune from the cost-of-living crisis but is an enduring pastime with broad appeal and is accessible to all budgets. Our work to strengthen the foundations of Angling Direct, as well as significant investment in its future growth, leave it securely and confidently placed to progress towards its ambition within a substantial accessible market.

Our progress is in no small way due to the ongoing loyal support of our customers and suppliers, along with the dedication of our fabulous colleagues. Again, I would like to thank all our stakeholders for the role they have played and continue to play in our ongoing success.

We remain vigilant as to continuing challenges in the macro-environment such as rising inflation, supply chain disruption and Russia's invasion of Ukraine. Angling is not immune from the cost-of-living crisis but is an enduring pastime with broad appeal and is accessible to all budgets. Our work to strengthen the foundations of Angling Direct, as well as significant investment in its future growth, leave it securely placed to progress towards its ambition within a substantial accessible market.

In the year ahead we will continue to evolve our customer offering across all channels but with a particular focus on growing our European presence where we see a big opportunity. Alongside capitalising on profitable organic growth opportunities, we will, if appropriate, consider business acquisition within the UK and Europe, utilising the strength of our balance sheet to gain market share, optimised to create value for all stakeholders. We will continue to invest in technology and digitisation with a focus on seamless integration between channels and accessibility through web applications to extend our reach into new and existing angling communities.

We are actively working to deepen our sense of purpose, building on our founding philosophies to Get Everyone Fishing. Developing a wider Team AD approach will increase our relevance and drive further participation in local communities for the benefit of all our stakeholders.

Our first quarter of the new financial year has seen growth trends which are broadly in line with our expectations having annualised significant prior year post lockdown peaks. However, we recognise that consumer confidence is fragile given the degree of uncertainty around the world currently. Whilst our industry is not immune to the inflationary cost pressures being experienced across the economy, the strong foundations we have built over the course of the last two years means we are able to continue investing appropriately in product pricing to protect our market leading competitiveness and still focus on building profitable sales in line with our stated ambition.

We remain financially sound and approach our two busiest trading quarters of our financial year with an improved customer offer, operationally strengthened business, deeper stock availability, and with a loyal customer base. Our new distribution centre in Europe is fully operational and we are focused on building sales momentum in this substantial market.

As a result, I am cautiously optimistic when I look to the future, and confident that the strategic and operational through FY22 will ensure the Group is able to take advantage of the numerous opportunities that will arise through the remainder of 2022 and beyond.

Andy Torrance
Executive Director
and Chief Executive Officer

16 May 2022

What we do

A renaissance in angling is being driven by its socially distanced nature, a growing interest in the outdoors and health and general wellbeing benefits, as well as increased awareness through several popular television programmes featuring well known celebrities.

OUR PURPOSE

Inspiring everyone to get outdoors and enjoy an exceptional fishing experience

Our purpose is why we exist and helps us stay focused on our ambition.

We place great emphasis on creating a culture of supporting anglers and the future of angling. We want to play our part in looking after our planet, its environment, and its people.

Our vision is to provide the encouragement, coaching and support so that our customers have everything they need to get the most from their fishing regardless of their background or ability.

OUR AMBITION

To become Europe's first choice omni-channel fishing tackle destination for all anglers, regardless of their experience or ability

Our ambition serves to focus us on our strategy and tactical business plans in the long-term interest of all stakeholders.

We have a long-term strategy to become the leading fishing tackle retailer in Europe by inspiring and delighting increasing numbers of customers, focusing on sustainable profitable growth and enhancing local fishing communities. We will grow revenue, increase market share and generate sustainable healthy profits.

We will continue to develop a market leading customer centric offering that delivers first class inspiration, advice, products and services through a convenient channel of our customers' choosing. We will always act responsibly to further the benefits and sustainability of fishing.

PURPOSE & AMBITION

OUR PURPOSE

Inspiring everyone to get outdoors and enjoy an exceptional fishing experience

OUR AMBITION

To become Europe's first choice omni-channel fishing tackle destination for all anglers, regardless of experience or ability

STRATEGIC PILLARS

Product Authority

- Most comprehensive range for all major fishing disciplines
- Always delivering choice, value, quality and availability

Customer Experience

- The very best digital and store retail interactions to drive conversion
- Create loyal customers who prompt recommendation

Inspiration & Support

- Making fishing inclusive and accessible,
- Providing friendly advice, education and inspiration to all sections of the angling community

Responsibility

- Actively engaging the fishing community
- Promoting environmental best practices
- Best employers in our market

KEY ENABLERS

Our founding philosophies

Inspirational, passionate, trustworthy and genuine; our frame of reference for the business decisions we take each day

Our colleagues' knowledge, passion and experience

Crucial to inspiring anglers of all backgrounds and abilities to stretch themselves and seek more from their fishing

Our contemporary digital technologies

Facilitate our growth, stand us apart and uniquely position us to grow market share

Our value based, data driven decision making

Underpins and directs all that we do, ensuring we maximise value for all stakeholders

What we do

Our stakeholder business model

Stakeholder value creation

- Favourable market, customer and health awareness trends
- Continued strong year on year growth and improvements in key operational efficiencies
- Further organic growth opportunities in all channels and geographies
- Improving cash flows and continued investment in people, training, marketing, digital and physical infrastructure
- Selective acquisitions where strategically compelling

1

Colleagues

Development of Team AD colleagues continues to be a priority. Our customers benefit from happy, knowledgeable, confident colleagues. We continue to prioritise internal personal development and training programmes as well as accessing external training provision as appropriate. Every team member has a formal personal development review each year. All our colleagues have access to free personal counselling services and occupational health services.

2

Customers

We regularly seek feedback from our customers via online reviews as well as several more fulsome surveys. We aim to meet all our customers' needs whatever their chosen channel with an increased focus on ensuring they have the information, inspiration and support to meet their fishing goals.

3

Shareholders

We continue to focus on the creation of shareholder value, developing the business in line with our strategy of sustainable profitable growth.

4

Industry bodies

We continue to work with our industry bodies, particularly through the COVID-19 pandemic and Brexit transition. We are trade members of The Angling Trust, the Angling Trade Association and the European Fishing Tackle Trade Association with whom we work closely with on all matters related to promoting and protecting fishing as a pastime accessible to all.

5

Community

During the year we supported various local and national charities in a variety of campaigns. We are also supporting the Anglers Against Pollution campaign via our membership of the Angling Trust.

6

Suppliers

We continually evolve our supplier strategy, aiming to foster successful long-term relationships with our key suppliers who align to our purpose and sustainability objectives, built on a foundation of trust in the best interests of angling.

What we do
our market

Angling remains one of Europe's most popular and highly participated sports. A renewed interest in fishing is being driven by its socially distanced nature, a growing interest in the outdoors and health and general wellbeing benefits, as well as increased awareness through several popular television programmes featuring well known celebrities.

The value of UK based fishing tackle sales was estimated to be around £550m per annum in 2018. Management estimates that the two largest, similarly structured markets in mainland Europe, France and Germany, are each worth approximately £800m.

There are now over 759,000 licensed anglers in England and Wales and the Environment Agency has increased its own target to achieve 1m licence holders by 2025. It's important to note that not all fishing disciplines require an EA licence.

We believe our growth is outperforming the overall market as we continue to extend our customer reach, having served online 130,000 new customers in FY22. Angling Direct is market leader in the UK with an estimated market share of approximately 12% and we estimate we are some 5 times larger than the next largest market participant in the UK.

The fishing tackle market both in the UK and Europe is highly fragmented, characterised by smaller independent competitors and offers the opportunity for us to act as one of the primary consolidators in the market.

Whilst overall consumer spending remains uncertain, spending on outdoor, socially distanced and healthy activity has shown resilience, particularly during times of less international travel.

Past experience tells us that the relatively low cost, easy to access localised pastime of fishing proves resilient during recessionary periods.

Our brand is being considered by more consumers as we benefit from increasingly digitally engaged customers who research (and buy) online, engage on social media and utilise local bricks and mortar stores for deeper, inspiration advice and coaching.

12%

Market share

Estimated UK market share

What we do

Why we are different

As the largest specialist fishing tackle retailer in the UK and Europe, we understand that to achieve sustainable profitable growth our customers require excellent inspiration, service and support through the channel of their choosing. They look for a best in market, broad high-quality product range, efficient processes and competitive prices. They increasingly expect us to act responsibly to get the best outcomes for all of our stakeholders and the environment.

21,000+

Product lines

Over 21,000 product lines from over 100 suppliers

4.8/5

Feefo rating

Our Feefo rating is high

OUR PRODUCT AUTHORITY

We sell the most comprehensive range of fishing tackle and related products, both in our 42 Angling Direct retail superstores and also online via our five websites www.anglingdirect.co.uk, www.anglingdirect.de, www.anglingdirect.fr, www.anglingdirect.nl and more recently www.anglingdirect.eu. In early 2022 we launched our online trading App. We provide an incredibly large choice of fishing tackle products from the leading brands our customers love, catering for all major fishing disciplines. At the year-end we stocked over 21,000 different product lines from over 100 suppliers.

Our category management teams work increasingly collaboratively with our suppliers to ensure we only list high quality products. Our purchasing colleagues work to forecast purchasing volumes with the objective of ensuring maximum product availability, optimised across our stores and websites.

We have developed long-term supplier partnerships, being the largest UK retailer of many well-recognised brands. Additionally, we stock our own fishing tackle brand, Advanta, which is primarily focused at the enthusiast carp angler. The Advanta product range matches the performance and quality of other fishing tackle products, whilst also offering great value for money.

We aim to offer the best value possible with our 'Price Checker' promise and through regular use of price monitoring software, we make sure that we are never knowingly undercut by our key competitors. We match or beat our key competitors' prices to ensure that we provide the best price to our customers.

OUR INSPIRATION AND SUPPORT

Whether new or seasoned anglers, our customers require in-depth information, advice and tips in order to inspire them to get the most from their fishing. We provide customers with this across all of our channels by ensuring they can easily access help and support from industry leading knowledgeable store colleagues. We now have at least two Angling Trust accredited fishing coaches within each of our store locations who can offer advice and also hold lessons at local angling destinations to give confidence to new anglers and help existing anglers improve their skills.

Additionally, we make available large amounts of digital material embedded within our websites, social media and ADTV, our YouTube channel. This includes features on the latest fishing product innovations, reviews of popular products and fishing locations, interviews with leading anglers and very popular educational 'how to' style QuickBite skill videos.

OUR CUSTOMER EXPERIENCE

The experience our customers receive however and whenever they choose to interact with us is always paramount in our thoughts. Our focus is to deliver the very best in class customer experience every time.

All our stores are sited in easy to access locations with a high density of anglers based on licensing data. We design our processes for customers to experience a smooth and efficient transaction, whilst also enjoying the opportunity to interact with our colleagues who themselves are immersed in the local fishing scene.

Our stores, websites and trading app are designed for the angling community where anglers can both purchase fishing products and also interact with the angling community and improve their angling knowledge. We ensure that our stores and sites remain fresh, relevant and interesting for both new and existing customers. We regularly review product selection and promotional activity to ensure popular, fast moving and promoted products are presented in the most effective way.

For our country specific websites, our multilingual service teams provide social media, local marketing, tele sales and high-quality customer service support.

Our Feefo rating is 4.8 out of 5, with over 14,800 five-star reviews.

OUR RESPONSIBLE LEADERSHIP

To be successful it is important for Angling Direct to demonstrate to all its stakeholders that it credibly leads within its sector by acting responsibly in all aspects of its operation and strategy but particularly towards the growth and sustainability of fishing as a pastime in the long term.

We aim to grow our colleague team with the optimum combination at all levels of angling specialists, drawn from within the sector; and experienced multi-discipline retailer and commercial managers. Strong supportive relationships with our key suppliers are important to us as we seek to grow the fishing tackle market and our reach within it, for mutual value.

Our store teams connect locally with our customers through store led social media and manager specials. An increasing number of our stores now feature a Fishery Focus area – a place for customers to dwell, enjoy a coffee and spend some time reviewing local fishing venues as well as chatting with store colleagues and other customers about their latest fishing experiences. They can also drop off their used fishing lines for recycling and take advantage of our reel re-spooling services.

Through our Trade membership of the Angling Trust, we are very proud to support their Anglers Against Pollution campaign by selling fundraising branded merchandise in our stores and online.

Steve Crowe
Chief Financial Officer

Chief Financial Officer's statement

"The strong financial performance was underpinned by the execution of our stated strategy."

The Group continued to be resilient despite the difficulties presented by the COVID-19 pandemic and ongoing wider macroeconomic headwinds, delivering strong growth in revenues and adjusted EBITDA. The strong financial performance was underpinned by the execution of our stated strategy, supported by favourable consumer dynamics with investment opportunities ahead to deliver further growth.

Financial highlights

In FY22 the Group continued to generate strong revenue growth. The pace of growth in the UK retail stores outstripped the UK online business by 7x, influenced by the backdrop of COVID-19 store trading restrictions in both FY21 and FY22.

FY22 saw continued emphasis on margin development through greater focus from our category management teams on buying and pricing. The progress in this area enabled the Group to absorb both the set-up costs associated with the execution phase of our European distribution strategy as well as £0.6m lower direct government support (in the form of the Coronavirus Job Retention Scheme "CJRS" and Restart Grant Scheme "RGS") without eroding year on year profitability. Profit after tax was £3.1m (FY21 £2.4m).

During Q3 FY22 the Group incorporated its wholly owned Dutch subsidiary ADNL B.V., this entity did not despatch product to consumers during the period.

Financial highlights	2022 Post-IFRS 16	2022 Pre-IFRS 16	2021 Post-IFRS 16	2021 Pre-IFRS 16	Change % Post-IFRS 16	Change % Pre-IFRS 16
Revenue (£m)	72.5	72.5	67.6	67.6	7.2%	7.2%
EBITDA (£m)	7.3	5.2	5.7	4.0	28.3%	30.6%
Operating profit/(loss) (£m)	4.4	3.8	3.0	2.7	45.0%	38.6%
Profit/(loss) before tax (£m)	4.0	3.8	2.7	2.7	50.6%	38.1%
Basic earnings per share (pence)	3.98	-	3.36	-	18.5%	

Adjusted financial measures are defined on page 87 of the Annual Report and reconciled to the financial measures defined by International Financial Reporting Standards ("IFRS"). Management uses EBITDA on a pre IFRS16 as the basis for assessing the financial performance of the Group. These terms are not defined by IFRS and therefore may not be directly comparable with other companies adjusted profit measures.

The discussion of our financial performance and position in this section is primarily on an IFRS 16 basis for all years presented. We have also included an analysis of pre IFRS 16 EBITDA as an alternative performance measure that we consider as a key measurement of performance internally as well as within our covering Brokers' market forecasts.

Some comparative figures for Right-of-use land and buildings assets and their associated lease liability have been restated to reflect confirmed contractual lease end dates. The impact to earnings in prior years is negligible with retained equity increasing by £29k at 31 January 2021 with a 0.03p and 0.02p positive impact on basic earnings per share in FY21 and FY20 respectively. Net Debt was positively impacted by £0.9m. Note 4 provides further detail and reconciliation.

Note 8 to the consolidated financial statements provides more information and reconciliations relating to EBITDA on both a pre and post IFRS 16 basis. An explanation of the difference between the reported operating profit figure and adjusted EBITDA is shown above.

Another year of strong revenue growth

Revenue grew 7.2% year on year with store sales increasing 19.9% and the online business contracting 4.3%. UK online sales increased 2.7% against FY21 and 65.8% on a two-year basis despite the impact of physical retailing having fewer restrictions in FY22. The Group's European business contracted 39.3%. The Brexit ports' hiatus impacted customer delivery lead times while customs restrictions essentially stopped the exporting of bait, as well as increased minimum basket thresholds to negate frictional export costs and tariffs, which all affected website visitors and customer conversion.

The Group continues to focus on its online sales to international territories which have the market size to deliver strong sales growth and promising levels of profitability. Our international footprint is predominantly in mainland Europe and these international sales accounted for 7.9% of total online sales (FY21: 12.4%). Our German, French and Dutch websites, which make up the Group's core European markets, reduced in sales by 1.7%, 31.7% and 51.8% respectively. These three territories now represent 84.4% of total international sales (FY21: 65.6%). During Q4, as the Group advanced through its execution phase of its European distribution strategy, sales to these key territories increased 5.6% in the quarter.

Stores were impacted by trading restrictions during Q1 of FY22 and were only able to operate on a "Call & Collect" basis; despite this like-for-like store sales increased by 14.1% for the full year FY22. The increase in store sales from the expansion of the Group's four new stores during the year was £0.7m with £3.7m from the four new store openings in FY21, collectively contributing £4.4m (6.1%) to total revenue.

Our own brand Advanta contributed 5.6% (FY21 4.8%) of total sales, £4.1m, during the year (FY21: £3.2m).

Revenue	31 January 2022 £m	31 January 2021 £m
UK revenue	69.8	63.2
Germany, France and Netherlands revenue	2.2	2.9
Other countries revenue	0.4	1.5
	72.5	67.6
Retail stores revenue	38.7	32.3
Ecommerce revenue	33.8	35.3
	72.5	67.6

Gross margin

Our gross profit increased by 15.1% to £26.6m (FY21: £23.1m). Gross margin improved 250 bps to 36.7% (FY21: 34.2%) and the key underlying factors are explained below:

Category management buying and pricing

In Q4 FY21, the Group commenced its category management methodology and restructured its category team composition to deliver excellence in buying and pricing. This approach yielded positive benefits across 17 of the 18 key categories as the team were able to secure buying and pricing positions which enhanced the year-on-year gross margin ratio. The strength of the Group's commercial relationships in conjunction with our liquidity position supported these buying dynamics to access stocks within an unpredictable supply chain environment.

Supplier terms

Throughout the COVID-19 pandemic, challenged supply chains and longer lead times meant the Group focused on security of stock as opposed to challenging our category teams to negotiate improved terms. As supply chains have become relatively less challenged, and stocking positions more certain during FY22, the ability to secure commercial agreements which reward both parties for growing their businesses have started to feature increasingly in commercial agreements, which have enhanced the margin during FY22.

Legacy inventories

One of the early objectives of the category management approach was to execute in early FY22 a full range review of the business. The expectation of this review was to potentially exit several ranges quickly from the business, requiring these identified ranges to be sold below their cost price, hence the FY21 results reflected this potential cost through a reduction in inventory line values. However, during FY22, against the backdrop of continued supply chain challenges, management deferred the execution of this overarching range review until Q1 FY23 when suppliers were anticipated to give greater transparency over future product supply volumes for the FY23 core fishing season. The one-off nature of this review results in no recurring reduction in inventory value or charge to gross margin in FY22. Further detail is given in note 3 on significant judgements and estimates.

Other income

As highlighted above, the Group was able to access direct government support to compensate for costs incurred whilst the business was unable to fully trade during the ongoing COVID-19 pandemic. The Group accessed £0.9m of support, £0.7m for RGS and £0.2m for CJRS. This compared to FY21 when the Group accessed £1.5m of direct government support, £0.9m for CJRS and £0.6m under the Government's Retail Hospitality and Leisure Grant Fund. Year on year the Group accessed £0.6m less of direct government support.

Administrative expenses

Total administrative expenses increased by 8.2% to £19.7m (FY21: £18.2m) compared to a 7.2% increase in revenue. Much of the increase is sales volume driven and reflects the Group's broader organisational scale in terms of physical store footprint and investment in colleagues. Headcount cost has increased by 6.0% to £10.8m (FY21: £10.1m). The additional depreciation and amortisation charged mainly relates to new store leased assets which increased to £2.9m (FY21: £2.7m). In addition, the Group's incurred £0.4m of set up costs during the execution phase of its European distribution strategy, as well as a further £0.1m of non-cash share options charge relating to the share options issued to key management during the year, and a full year's charge in respect of the Executive team. Further detail is given in note 34.

The Group was the subject of a malicious cyber-attack during Q4 FY22 which resulted in 7 days lost trading for the online business. The incident is subject to an ongoing insurance claim with the Group's insurers who directly incurred a substantial proportion of incremental costs due to the incident. Based on the range of outcomes and the materiality of these ranges for this claim, no asset or liability has been recognised within the FY22 results in respect of the incident.

Profit before tax and EBITDA

Profit before tax increased 50.6% to £4.0m with the ratio to sales improving from 4% FY21 to 5.6%, gross margin representing 2.5% of the movement, the cost base 0.1% and reduced government support (1.0) %. EBITDA improved 28.3% to £7.3m (FY21: £5.7m), as a ratio of sales 10.1% (FY21: 8.5%) and on a pre IFRS 16 basis 30.6% to £5.2m (FY21: £4.0m), as a ratio of sales 7.2% (FY21: 5.9%).

Tax

The Group's effective tax rate was 23.5% (FY21: 9.2%). A reconciliation of the expected tax charge at the standard rate to the actual charge is shown. All the Group's revenues and the majority of its expenses are all subject to corporation tax. The main expenses that are not deductible for tax purposes are professional fees. The tax rate benefitted from the 130% super deduction for capital allowances. Tax relief for some expenditure, mainly fixed assets and unapproved share options is received over a longer period than that for which the costs are charged to the financial statements.

Taxation	£m	%
Profit before tax	4.0	-
Expected tax at UK standard rate of tax	0.7	19.0%
Ineligible depreciation	0.0	0.2%
Expenses not deductible for tax purposes	0.1	1.3%
Capital allowances enhanced deduction	(0.1)	(1.3%)
Difference in current and deferred tax rate	0.1	2.4%
Effect of tax rate change on opening deferred tax balances	0.1	2.0%
Adjustments in respect of previous year's tax charge	(0.0)	(0.1%)
Actual charge / effective tax rate	0.9	23.5%

Returns and dividends

Basic earnings per share ('EPS') was 3.98p (FY21: 3.36p) progressing 18.5% for the year, below the rate of growth of profit before tax due to the change in effective tax rate explained above. The lower diluted earnings per share reflects the current LTIP share options in issue which would dilute the basic earnings per share.

There were no dividends paid, recommended or declared during the current and prior financial year. As discussed in the Directors' report, with the last of the Government's COVID-19 restrictions being removed, the Group is focused on carefully navigating any further supply chain disruption and will reinvest all surplus cash resources back into the business. As a result of this, in the short term, the Directors do not recommend a dividend payment to be distributed for the year ended 31 January 2022. The dividend policy will be kept under review as strategic expansion plans progress.

Statement of financial position

Our consolidated statement of financial position is robust. As at 31 January 2022, the Group had a net asset position of £36.4m (FY21: £33.1m) and a net current asset position of £23.2m (FY21: £20.2m). The Group for the first time includes the assets and liabilities of its wholly owned subsidiary ADNL B.V.

The Group also had no external borrowing as at the reporting date and closed FY22 with a cash and cash equivalents position of £16.6m (FY21: £15.0m). Net debt* improved to (£5.6m) from (£4.8m) FY21 reflecting the strength of the earnings and cash generation in the period.

The key movements in the consolidated statement of financial position, largely reflect additional net current assets. The table shows the key components with the key movements of note being the increase in inventory levels reflecting our strategy of building stock holdings to de-risk continued supply chain disruption during the period. The Group had four new stores in the estate as well as also building up our own branded stock, Advanta. The year-end balance also reflects a modest stock build of £0.3m to support the opening of the European distribution centre in FY23. Stock turn for the Group as a result of these factors reduced to 3.0x from 3.6x.

Property, plant and equipment grew by £0.9m with the introduction of four new stores, three of these alongside £0.3m relating to the new European distribution centre being in the second half of the year. Right of use assets have grown reflecting four new stores which were brought into the estate in addition to the European distribution centre lease executed in Q4. Offsetting this growth in asset, the depreciation charge grew to £1.6m, while the Group continued to evaluate its dilapidation obligations and associated restoration provision for its growing physical store and distribution centre footprint. The average length of lease remaining for the Group has reduced to 6.0 years (FY21 6.7 years). Additional investment in our software and IT platforms of £327k was offset by a corresponding depreciation charge as the business starts to reach a level of maturity on its investing profile. Refer to note 2 to the consolidated financial statements for our policy with respect to intangible assets.

Statement of financial position	31 January 2022 £m	31 January 2021 £m
Property, plant and equipment	6.9	6.0
IFRS 16 Right-of-use assets	11.0	10.0
Intangible assets	6.2	6.3
Total non-current assets	24.1	22.3
Stock	16.3	12.5
Cash	16.6	15.0
Other current assets	1.1	0.9
Total current assets	34.0	28.3
Trade payables	(8.7)	(6.7)
Lease liabilities	(1.6)	(1.4)
Other current liabilities	(0.5)	-
Total current liabilities	(10.8)	(8.1)
Lease liabilities	(9.4)	(8.8)
Other non-current liabilities	(1.5)	(0.5)
Total non-current liabilities	(10.9)	(9.4)
Net assets	36.4	33.1

* Net debt represents the Group's IFRS 16 lease liabilities less the cash position as at the reporting date.

Cash flow and funding

During FY22, the Group generated cash from operating activities of £4.8m (FY21: £6.9m). Operating cash generation was impacted by a working capital drag of £3.8m year on year, primarily as a result of the stocking strategy described earlier in this statement, however, the increased levels of profitability negated some of this investment.

The Group has pursued its growth strategy by continuing to deploy available cash resources into our e-commerce platforms both in the UK and internationally, alongside investment in our technology and inventory management systems. During the period, the Group spent £1.2m on property plant and equipment primarily relating to the four new store roll outs and the fit out of the European distribution centre. Given the timing of these investments during the year, of the £2.2m intangible and property plant and equipment additions, £0.4m was settled after the balance sheet date, and £0.3m reflects the early settlement of the Kardex semi-automated picking system lease. This cash flow is reflected through the financing activities on the statement of cash flows.

Cash flow	31 January 2022 £m	31 January 2021 £m
Opening cash	15.0	6.0
Profit / (loss) for year	4.0	2.6
Movement in working capital	(2.3)	1.5
Depreciation and amortisation	2.9	2.7
Other operating adjustments	0.2	0.1
Net cash from operating activities	4.8	6.9
Net cash from investing activities	(1.5)	(1.8)
Net cash from financing activities	(1.7)	3.9
Increase in cash in year	1.6	9.0
Closing cash	16.6	15.0

Total cash generation for the period was £1.6m (FY21: £9.0m). FY21 included £5.1m of net proceeds from a share placing at the height of the COVID-19 pandemic. Excluding the proceeds of this placing the cash generation reduced by £2.3m year on year, with operating cash 1.5x investing and financing cash flows versus 2.3x (excluding share placing) in FY21.

The Group will be tax paying during FY23.

Going concern and viability

At the Statement of Financial Position date, the Group had cash balances of £16.6m. The Directors consider that £16.6m enables them to meet all current liabilities as they fall due. Since the year end, the Group has continued to trade within the range of internal plans upon which this assessment has been made with c£2.2m of working capital investment into European inventories post the balance sheet date.

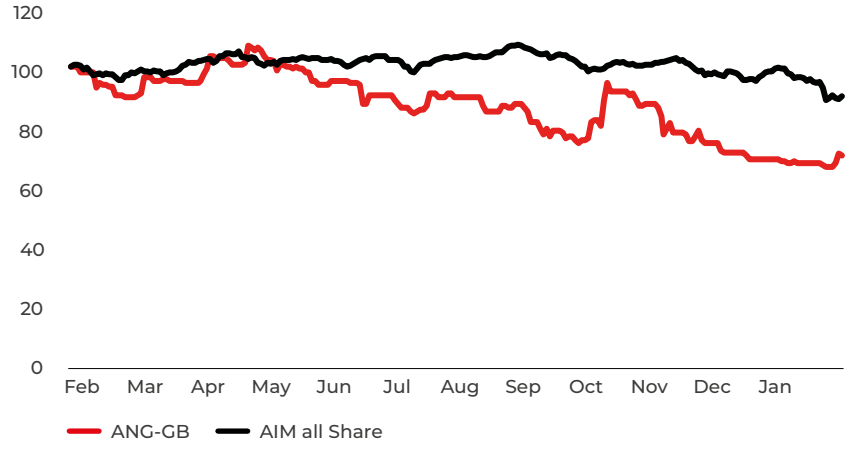
After consideration of market conditions, the Group's financial position, financial forecasts for two years, its profile of cash generation and principal risks, the Directors have a reasonable expectation that both the Company and the Group will be able to continue in operation and meet their liabilities as they fall due over the period. For this reason, the going concern basis continues to be adopted in preparing the financial statements.

Long-term growth

The Group has generated consistent growth in the scale of its business and profits over recent years. A summary of the compound growth rates ("CAGR") over the past two full trading years in the key financial figures is as follows:

Long-term growth	2022 Post-IFRS 16	2022 Pre-IFRS 16	2020 Post-IFRS 16	2020 Pre-IFRS 16	Change % Post-IFRS 16	Change % Pre-IFRS 16
Revenue (£m)	72.5	72.5	53.2	53.2	16.7%	16.7%
EBITDA (£m)	7.3	5.2	0.7	(0.5)	233.6%	-
Profit before tax (£m)	4.0	3.8	(1.5)	(1.2)	-	-
EPS (pence)	3.98	-	(2.01)	-	-	-

Share price performance



Share price performance

At the year end, the market capitalisation was £42.9m compared to £61.0m at the previous year end. The graph below shows the total shareholder return performance compared to the AIM all share Index. The values indicated in the graph show the share price movement based on a hypothetical £100 holding of ordinary shares from 1 February 2021 to 31 January 2022.

FY23 outlook

FY22 was characterised by continued disruption to trading conditions, condensing store trading periods and associated sales, alongside challenging comparatives for the online business, exacerbated by the Brexit disruption. Wider social and travel restrictions both in the UK and globally supported UK angling as a pastime negating some of the earlier trading restrictions in Q1 FY22. An improvement in gross margins was achieved as the Group was able to use its strong balance sheet to secure stocks in a disrupted supply chain environment, alongside significant direct financial assistance from the UK Government improved operating margins.

Following an exceptional period and emerging from the pandemic, the Board is now seeing increasing levels of visibility in its markets. As such, the Board believes that the Group is well-placed to deliver growth in revenues both in the UK and its European markets, albeit it is reasonable to expect that this growth will be at a lower rate for the UK than the prior year where we have greater market share, as trading conditions normalise and inflationary pressures with the associated impact on consumers becomes clearer. The Board is also mindful of the likelihood that uncertainty around the Group's Far East supply chain will continue to persist at least in the short-term and, as such, the Group will, where appropriate, continue to use its strong balance sheet to secure stock and mitigate exposure here.

The measures taken by the Group to drive gross margin enhancement and a more efficient cost base that will underpin this growth are now well established. The Group took further financial assistance from the UK Government during FY22 but, on the basis that there are no further national lockdowns, we expect no income from this source in the current year compared with FY22. We expect that the impact on profitability of this factor alongside the new "national living wage" and reduced indirect government support through Business rates increasing back above pre-COVID-19 levels, will be partially mitigated by further underlying operational efficiency improvements.

We have continued to focus on building disciplined financial controls both in the UK and more latterly in Europe with the opening of the European distribution centre in Q1 FY23. In addition, our focus has been upon achieving operational excellence, strengthening corporate governance, maintaining our robust balance sheet and capitalising on the renaissance of fishing as a pastime and our improved and evolving online and store customer offerings.

Q1 FY23 saw the first despatch of product from our European distribution centre and the Board remains focused on optimising this opportunity.

Steve Crowe
Chief Financial Officer

16 May 2022

Section 172 statement

Our Section 172 statement sets out how the Board has had regard to the matters set out in section 172(1) (a) to (f) of the Companies Act 2006 ("s172") in carrying out its duties over the course of the year. The Company's purpose, vision and strategy are underpinned by the codified duty to promote the success of the Company for the benefit of its members as a whole, whilst having regard to the matters set out in s172 (1), being:

a. The likely consequences of any decision in the long-term;

b. The interests of the Company's employees;

c. The need to foster the Company's business relationships with suppliers, customers and others;

d. The impact of the Company's operations on the community and the environment;

e. The desirability of the Company maintaining a reputation for high standards of business conduct; and

f. The need to act fairly between members of the Company.

The underlying principles set out in s172 form the basis for decision making by the Board. The Board has identified six key stakeholders who are essential to the delivery of the Company's strategy and long-term success of the Group, details of which are set out in the following pages. During the year the Board have continued to meet frequently to focus on stakeholder needs, and in particular the needs of our customers and our colleagues during the COVID-19 pandemic.

Engaging with our stakeholders for meaningful impact

The six key stakeholders identified by the Board are at the heart of what we do, being: our employees, our customers; our suppliers; our industry bodies; our community; and our shareholders. It is of the highest importance to us that we engage with all our stakeholders meaningfully, to inform decision making, stay focused on our purpose and ensure we provide value in all areas of our business. It is challenging to ensure all of our stakeholders have the same experience with the Group, due to our wide range of locations, operations and roles; therefore, we promote an ongoing dialogue with all our stakeholders to enable us to effectively act on feedback, and we foster a culture of honesty and integrity.

Employees

Why we engage

Angling Direct has the ambition to be the best employer in the fishing tackle market. By engaging with our colleagues, we can understand their motivations and work with them to maximise colleague engagement and welfare. Our focus is continuing to provide our colleagues with the flexibility and support they need to develop their careers.

How we engage

We operate an open-door policy from the CEO downwards for all colleagues to always feel that they have a line to communicate, and we actively encourage feedback across all levels.

Alongside the use of our colleague wellbeing platform, Perkbox, we have invested further by establishing through the Perkbox platform an all-colleague survey, as well as establishing "AD Voice" our colleague feedback forum with membership including the Chair outside of the key management team. The CEO and members of the senior management team attend AD voice to hear feedback firsthand.

The store operations team have introduced a "Managers in Action" Group to seek feedback and facilitate positive change within the store operations.

The CEO publishes a monthly message to all colleagues and for our store colleagues we have introduced a weekly retail bulletin to promote awareness, inclusion and an increased sense of team for our geographically dispersed store teams.

We continue to review and where appropriate increase the frequency of our all colleague or team conferences and leadership meetings.

Outcomes

Our colleagues have provided a vast amount of valuable feedback over the past year, with all our people facing uncertainty as the COVID-19 pandemic continued. The key management team have reviewed the outputs of the colleague survey and shared the results with the organisation through CEO communication, all colleague communication events as well as using our new AD Voice forum to reflect on these results and propose initiatives and challenges to the management team.

In what has been a difficult time for our colleagues across the business we have increased our resources to support colleagues in managing their wellbeing. This includes implementing First AID mental health champions and continuing to invest in the wellbeing portal Perkbox with free access to content, advice and counselling support.

Customers

Why we engage

Our customers are at the heart of our business. Our continued growth and strong sales performance would not have been possible without giving consideration to our customers' needs both in-store and online.

We engage with our customers to ensure we are meeting their demand for high standards of service, and to identify opportunities to improve the breadth of our customer offering alongside customer service.

How we engage

We engage with customers in the UK and Europe through all three channels (online, offline and social, e.g Facebook and YouTube) as it suits their needs and encourage customer feedback through our feedback platforms. We surveyed our customers during the year to help inform and evolve our Purpose.

We have over 70 trained level 1 coaches and 11 level 2 coaches across our business to help support and advise customers to source and use the right purchases to get the most from their own angling experience. Alongside this we have rolled out to all our store colleagues our customer engagement model "BAITS" which supports colleagues in delivering higher quality engagements with customers.

We provide a multilingual customer service team that includes professional angling coaches to support in-store and online orders, including customer returns. Customers can access this team through phone, email or via live chat.

Our ADTV and social media presence allows our customers the opportunity to learn and explore various techniques in their own time.

We have invested in our new concept store roll out to enhance our customers physical retailing experience.

Outcomes

We continue to invest to ensure we can offer customers the most complete angling experience through the development of our "new concept" store implemented in our latest 3 store openings in the year. The continued focus on roll out of coaching qualifications to ensure we retain the ability to not only provide excellent customer service alongside high quality sales advice.

Our digital reach continues to grow with 132,000 Facebook and 112,000 Instagram followers as well as 43,700 subscribers to our ATV (YouTube) channel.

Suppliers

Why we engage

We engage with our suppliers to deliver ongoing benefits to our business, collaboratively finding operational and sustainable improvements and delivering improved value.

How we engage

We have a stable supplier base, regularly communicating with them to promote our relationship. Our suppliers are invited to attend our physical store locations as well as our distribution centre to help them better understand our business, engage with other stakeholders and ask any questions they may have.

We have continued to invest in our Category management team, particularly in our own brand sourcing capability to promote improved engagement with the Group's Far east suppliers.

Outcomes

We are proud to have long-term relationships with our suppliers. Through these relationships we can generate consistent custom for our suppliers, in return achieving mutually favourable terms on purchases. Over the past 24 months throughout the COVID-19 pandemic we have had appropriate communication with our suppliers, ensuring they were paid on time and were able to deliver sufficient product despite the impact on the global supply chains during the pandemic.

Industry bodies

Why we engage

We actively engage with our industry bodies, primarily the Angling Trust, but in addition the Angling Trades Association and the European Fishing Tackle Trade Association. These interactions and relationships help us to maintain a reputation for having a broader purpose than the resale of fishing equipment.

How we engage
We hold regular meetings with Industry Bodies to discuss key issues and share and participate in key initiatives and improvements across the industry.

Outcomes
Constructive dialogue and actions which evidence to the angling community that Angling Direct is helping to shape and support the sustainability and growth of fishing as a pastime. Details of a number of the Board sponsored collaborations are set out in the CEO statement.

Our Non-Executive Chairman has become an Ambassador of the Angling Trust to promote further collaboration between our respective organisations.

Community

Why we engage
We recognise the nature that community plays within the angling pastime and regularly engage with the communities in which we work to understand how we can support them.

By engaging with our communities, we enhance the environment in which we work, promote employment satisfaction in our operation and keep our communities informed.

How we engage
Grassroots investments in the angling community are important to the Group's success. Projects such as Fishing for Schools, National Fishing Month and the Angling Trust "Get into fishing" are examples of initiatives receiving the Group's support that allow us to engage with our communities. Additionally, this year we have provided product and colleague time to "Tackling Minds" an organisation founded to get people into fishing from all walks of life, be it mental health, social deprivation, addiction or disability.

Outcomes
During the year the stores gave away free over 9,000 "get into fishing" kits to the under 16's. In addition, we donated £1,530 to support the NHS and £1,000 to a cancer hospice.

Shareholders

Why we engage
We actively engage with our shareholders, sharing our investment case and communicating our future plans, to ensure the Group's strategy is aligned to the interests of its shareholders.

How we engage
We engage with our shareholders through our Annual General Meeting ("AGM"), conference calls, one-to-one meetings and investor roadshows. We have ongoing dialogue with our shareholders and value their feedback, which is discussed at Board meetings.

We ensure we keep the investor section of our website up to date to provide timely updates about Angling Direct and its activities. Individual shareholders are encouraged to contact Directors on all matters relating to governance and strategy via our Nominated advisor.

Outcomes
At the AGM, 100% of resolutions were passed and votes in favour ranged from 81% to 100%.

We have engaged FTI Consulting, a Financial public relations firm to assist with improving our investor relations experience, engaging more closely with current and potential shareholders. As part of our improvement of investor relations our Executive Directors took part in a live non institution shareholder roadshow at the FY21 full year and HY22 results through the "Investor Meet Company" platform.

During the year we consulted with major shareholders on governance and Executive renumeration. More details are included within the Corporate Governance statement.

Principal risks and uncertainties

Proactively identifying and managing risk throughout the Group

Risk management structure

The Board has overall responsibility for ensuring risk is appropriately managed across the Group. The day-to-day identification, management and mitigation of risk is delegated to the Group's senior management.

Risk registers are prepared which evaluate the risks most likely to impact the Group. Colleagues across the business are involved in the review of these in order to ensure that all potential areas of risk are adequately identified, recorded and managed. Controls that are in place are assessed to determine the extent to which they mitigate risk and in circumstances where it is considered appropriate actions are determined.

The Group's business operations are subject to a whole range of risks. Some of the most significant risks are explained below together with details of actions that have been taken to mitigate these risks.

The Key Roles and Delegated Responsibilities

Executive Management team

Collectively responsible for managing risks.

Audit Committee

Assists the Board to fulfill its corporate governance duties and oversees responsibilities in relation to financial reporting, internal controls, and risk management structure.

Risk appetite

The effectiveness of our risk management approach relies upon a culture of transparency and openness that is encouraged by the CEO and CFO. The Group's appetite for risk is considered low; whilst some risk is required to develop the business and invest in future growth, the Group has no appetite for major risks which cannot be effectively mitigated.

Assessment of principal risks

During the year the Board undertook a robust assessment of the emerging and principal risks facing the Group and specifically those that might threaten the delivery of its strategic business model, its future performance, solvency, and liquidity. A summary of the principal risks and uncertainties that could impact the Group's performance is shown on pages 36 to 40.

COVID-19 and Brexit

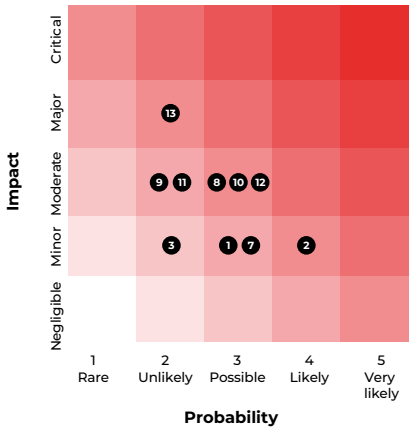
The Group faced unprecedented disruption to its operations in the previous financial year to 31 January 2021 due to the COVID-19 pandemic, and the Group has had to continue to evolve its operations to reflect ongoing COVID-19 government and regulatory guidance in the financial year to 31 January 2022. The Group has also had to adapt to the changes arising from the UK's exit from the European Union.

The Board continues to monitor and assess the risks and opportunities which may arise from further disruption through COVID-19 or similar pandemic and through Brexit. The medium- and longer-term impacts of COVID-19 and Brexit remain unclear, but the Board and senior management continue to monitor developments and plan accordingly.

Our key focus in monitoring and managing risks from COVID-19 and Brexit is to ensure the safety and wellbeing of our colleagues and to ensure we have appropriate resources in place to continue to provide appropriate services to our customers.

COVID-19 and Brexit both have the ability to affect the following principal risks:

- Rapid growth
- Health and safety legislation
- Cross border trading
- New jurisdictions
- Dependence on key personnel
- Future pandemic or lockdown
- Sale of 3rd party brands
- Inventory management
- Distribution centre
- Going concern and liquidity



1. Future pandemic or lockdown
2. Cross border trading
3. Rapid growth
4. New jurisdictions
5. Health & safety legislation
6. Distribution centre
7. Search engine change
8. Data security & IT resilience
9. Market competition
10. Sale of 3rd party brands
11. Dependence on key personnel
12. Inventory management
13. Going concern & liquidity

Key ▲ Increasing risk for the Group ◀▶ Risk remains unchanged for the Group ▼ Decreasing risk for the Group

Risk	Description	Mitigation	Changes in year
▼ **Future pandemic or lockdown**	Future uncertainty over COVID-19 or other pandemic and associated lockdowns. Future lockdowns affect our ability to source product and supply to our customers through our omni channel model.	By continuing to closely monitor as a Board evolving government and public health guidance. Multiple, geographically spread locations across the UK and Netherlands, as well as a customer base throughout Europe protect the Group from localised lockdowns. A large proportion of our own-brand products are sourced from China. We continue to deepen our own brand range and volumes of orders. We leverage our supplier relationships to seek greater transparency of order fulfillment levels and flex order volumes within other ranges as required.	Continued adherence to government and public health advice across all operating territories. The trading restrictions impacted our store portfolio in Q1 FY22 with "call & collect" model operated to reduce the impact on sales volumes. Supply of imported branded goods remained challenging with longer lead times and continued unpredictability around certainty of supply.
◀▶ **Cross border trading**	Post Brexit in Q1 FY22 reduced consumer confidence on certainty of fulfillment, alongside increased free postage thresholds for our non-UK customers to mitigate frictional export costs impacted online conversion levels for our European customer base. European competitors may gain an advantage over the Group if frictional duty/admin costs and customer lead times materially impact our customer proposition.	Customer fulfilment model for non-UK customers changed to DDP (delivered duty paid) to protect non-UK customers from frictional costs and administration from cross border trading. Current key market being the UK with 96% of the Groups sales protected customer base and cashflows. Our purchasing risk from the EU is moderate with approximately 60% of branded goods shipping directly from Asia to the UK.	In response the Group completed its strategic review for continued expansion within the European market and commenced the execution phase of establishing a European distribution Centre.
▼ **Rapid growth**	The Group's business continues to grow rapidly. Operations and practices adopted at earlier stages of the Group's development may be inappropriate for a business of an increased size and scale. The Group may need to expand and enhance its infrastructure and technology and improve its operational and financial systems and procedures and controls in order to be able to match its growth. The Group may face challenges in matching the pace of its expansion with corresponding improvements and enhancements in its systems, controls and procedures. The Group will also need to expand, train and manage its growing employee base.	The Plc and Operational Boards actively monitor and respond, so as to maintain systems and practices that are appropriate for the operations and scale of the Group. The Group continues to recruit into key management positions.	FY22 has been a period of consolidation with a high proportion of senior management time and software development resource dedicated to improving internal processes and controls, and overall Group resilience. These include: • investment in technology such as continued upgrading our internal server infrastructure and off-site VPN and multi factor authentication security. • External review of IT security and end point protection as part of cyber-attack review. • New digital customer and supplier returns dashboard developed.

Risk	Description	Mitigation	Changes in year
New jurisdictions	The Group's expansion into new jurisdictions may not be successful. Further expansion into markets outside the UK would expose the Group to a variety of risks, including different regulatory requirements, complications with staffing and managing foreign operations, variations in consumer behaviour, fluctuations in currency exchange rates, potential political and economic instability, potential difficulties in enforcing contracts and intellectual property rights, the potential for higher rates of fraud and adverse tax consequences. The Company has limited experience of the legal and regulatory regimes of jurisdictions outside the UK and their consequences for the Group's business. To the extent that the Group overestimates the potential of a new geographic market, incorrectly judges the timing of the development of a new geographic market or fails to anticipate the differences between a new geographic market and the UK, the Group's attempt to expand into new geographic markets may be unsuccessful.	The Board will routinely direct Management to seek professional input into any such strategic expansion.	The impact of frictional carriage costs to fulfil customer orders outside of the UK as a result of the Brexit challenges the economics of fulfilling European customer orders from the UK in the medium term. In response to this challenge the Board accelerated its plans to review in country fulfillment options to mitigate these costs and maintain the pace of growth in these key strategic markets. Throughput the European distribution expansion strategy review the Group has sourced appropriate expertise from European logistics, legal, taxation, health & safety and transfer pricing specialists. Post this strategic review the execution phase of the project commenced during Q3 FY22. In Q3 a new Dutch legal entity (AD NL BV) was established to facilitate the execution of the European distribution centre lease. These activities were executed through Dutch advisors.
Failure to comply with health and safety legislation	Generally, non-compliance with applicable health and safety practices and regulations in any of our stores, distribution centre or offices could result in increased risk of accidents for our employees, customers, subcontractors or suppliers and adverse reputational and financial impacts. The health and safety of our stakeholders is critical.	The Board ensures that the Group health and safety strategy and compliance is delivered through the Operating Board lead for compliance. Health and safety is a standing agenda item on both the Group PLC Board work plan as well as the weekly Operating Board agenda. Specialist and appropriately qualified third-party advisers undertake training of the Group's health and safety Committee. The Group is appropriately insured regarding its employees and customers with respect to products supplied.	Ongoing provision of COVID-19 guidance in light of evolving guidelines. COVID-19 test kits provided to colleagues. 11 colleagues trained in IOSH (Institute of Occupational Safety and Health). Set up of the European operation ahead of trading in FY23 has required further input from specialists and requires ongoing focus through FY23 and beyond as the Group adapts to working in multi territories.

Key ▲ Increasing risk for the Group ◀▶ Risk remains unchanged for the Group ▼ Decreasing risk for the Group

Risk	Description	Mitigation	Changes in year
◀▶ **Distribution Centre / warehousing**	Any disruption to the efficient operation of the distribution centre may have an effect on the Group's business. The distribution centre may suffer prolonged power or equipment failures, failures in its information technology systems or networks or damage from fires, floods, other disasters or other unforeseen events which may not be covered by or may exceed the Group's insurance coverage. The Group operates one distribution centre in each key market (UK and Europe) and is reliant for any scale stock holding and picking to service its online customers.	The Group, in conjunction with its insurance broker, ensures sufficient and appropriate insurance cover is in place. This includes Business Interruption cover. The Group has an ongoing maintenance contract which supports its semi-automated picking system Kardex which has specified 24/7 SLA. The Group has the capability to fulfill online orders in the UK directly from store both as an inventory maximisation opportunity or as a disaster recovery tool.	The Group continues to strengthen both its Health and safety and IT environments to support the resilience of its distribution capabilities.
◀▶ **Change to search Engines' algorithms**	Changes to search engines' algorithms or terms of service could cause the Group's websites to be excluded from or ranked lower in natural search results. Search engines frequently modify their algorithms and ranking criteria to prevent their natural listings from being manipulated, which could impair the Group's 'Search Engine Optimisation' ('SEO') activities. If the Group is unable to recognise and adapt quickly to such modifications in search engine algorithms, the Group could suffer a significant decrease in traffic and revenue.	The Group will continue to operate search engine optimisation activities that adhere to search engine guidelines. The Group reviews its mix of organic and paid customer acquisition monthly to review its effectiveness of these channels.	The Groups maintained its UK online advertising spend below 4.5% despite increased competitive environment as stock availability improved in H2 FY22. The Group improved its mix of paid v non-paid advertising during FY22 by 130 bps.
◀▶ **Data security and IT reliability**	The Group relies heavily on its IT infrastructure and e-commerce system. If any one or more of its websites were to fail or be damaged this could impact the Group's ability to trade. If the Group's IT and data security systems do not function properly there could be website slowdown or unavailability, loss of data, a failure by the Group to protect the confidential information of its customers from security breaches, delays in transaction processing, or the inability to accept and fulfil customer orders, which could affect the Group's business.	Policies and procedures are in place to ensure stability and security of our networks and systems. Restricted access to systems, networks and applications wherever possible with a scheduled program of network security enhancement with external review post the cyber-attack during the year. The Group has a disaster recovery plan in place which has been designed to minimize the impact of data loss or corruption from hardware failure, human error, hacking or malware. The Group continues to review the skill set needs as the business grows. In Q4 FY21 a new Head of IT was recruited to support the Digital Director to further assess robustness of the Group's architecture and processes.	The Group experienced a malicious cyber-attack in Q4 FY22 which resulted in seven days lost trading for the online business. The Group enacted its disaster recovery processes including access to a forensic IT security third party specialist team through its cyber insurance policy. The Group continues to work with its insurance company to finalise its insurance claim in respect of the cyber-attack during the year. Multi factor authentication enabled throughout the IT estate including the AWS cloud environment. Password resets enforced. Deployed strong end point detection and response software. Improve back-up solutions including lock down of essential external account access to minimal users with high security.

Risk	Description	Mitigation	Changes in year
Market recognition & competition	Developing and maintaining the reputation of, and value associated with, the Group's brands is of central importance to the ongoing success of the Group. Brand identity is a critical factor in retaining existing and attracting new customers. The Group is reliant on its natural search result rankings and paid advertising as it seeks to build market share and attract new customers. Any failure by the Group to offer high quality products across a range of disciplines, manufacturers and price points, excellent customer service and efficient and reliable delivery, could damage its reputation and brands and could result in the loss of customer confidence and a reduction in purchases. Unfavourable publicity concerning the Group could damage the Group's brands and its business. Adverse publicity of fishing as a pastime impacts the popularity of the activity as a pastime. Other platforms sell fishing equipment and fishing bait.	We differentiate ourselves through our blend of channels, broad appeal, true specialist expertise and industry leadership. Our founding purpose of "Getting Everyone Fishing" drives our behaviours and strategy. Engaging dialogue with suppliers to develop increasing numbers of exclusive arrangements. Own-brand products are carefully selected and rigorously tested prior to initial order. The Group has invested in deeper experienced of own Brand expertise to enhance our product authority and customer offering. The Group has a track record of successfully competing on a wide range of factors including quality and range of products, price, product availability, product information, convenience, delivery options and service.	We continue to communicate our Purpose, founding beliefs and strategy to our colleagues to ensure we maintain our differentiation in the market. We have developed our "new concept" stores for the latest 3 store roll outs. The online proposition continues to evolve with the roll out of AD+ the online subscription membership. See the "Our business model" section of the Chief Executive's statement which sets out how the Group continues to evolve its customer offering and remain the market leader in the UK with a platform to expand that ambition to Europe.
Supply and sale of third-party branded products	The Group purchases products from a number of large global and domestic fishing equipment brand owners, and the Group's business depends on its ability to source a range of products from well-recognised brands on commercially reasonable terms. The relationships between the Group and the third-party brand owners are generally based on annual contracts that the Group seeks to renew each year. The third-party brand owners may cease selling products to the Group on terms acceptable to it, fail to deliver sufficient quantities of products in a timely manner, terminate their relationship with the Group and enter into agreements with the Group's competitors, or experience raw material or labour shortages or increases in raw material or labour costs. Any disruption to the availability or supply of products to the Group or any deterioration to the terms on which products are supplied to the Group could affect its business.	Whilst sales of third-party branded products accounted for approximately 94% of the Group's turnover in FY22 (FY21: 95%), the Directors do not consider that the Group is significantly reliant on any one or more major brand/brand owner. The Directors believe that the relative size of the Group, its purchase volumes and the strength of its relationship with the brand owners, built over a prolonged period in many cases, make it unlikely that any such arrangements would be terminated. Category management remains a key strategic pillar for developing the business and the strength of supplier relationships remains key to the Group.	Gross margin delivery has built a strong platform from which to continue to grow the business from. Category management disciplines are now becoming more mature within the business operation. Own brand ambitions and momentum are becoming clearer providing further mitigation to the risk over the medium term.

Key ▲ Increasing risk for the Group ◀▶ Risk remains unchanged for the Group ▼ Decreasing risk for the Group

Risk	Description	Mitigation	Changes in year
◀▶ **Dependence on key personnel**	The loss of any key individual or the inability to attract appropriate personnel could impact upon the Group's future performance. Should the Group fail to retain or attract suitably qualified and experienced personnel, it may not be able to compete successfully. Increased pressure on our colleagues to cover vacancy or skill gaps.	The Executive and Operating Board is compensated through a combination of market-rate salaries and the longer-term share-based incentives to align their remuneration with the continued success of the Group. The Board continues to recruit into key management positions as and when positions are identified.	Renumeration committee continue to proactively benchmark and review Executive base pay. Low attrition within the Executive and Operating Board with only one change in personnel during the year.
▼ **Inventory management**	The high volumes of stock which are purchased, held and sold creates multiple risks. These include obsolescence, faults, theft and damage – both when on hand and when being distributed.	The Group conducts regular quality control checks and stock counts at all its stores and the warehouse. Quality control checks are in place as part of the booking in process. The carrying value of the inventory is regularly reviewed and reduced to the lower of cost and net realisable value if overstated. Refer to the judgements and estimates section in note 3 to the consolidated financial statements for further detail on this process. As part of the wider insurance coverage of the Group, appropriate insurance is held in relation to stock held in our stores, warehouse and in transit.	New digital returns process implemented during the year, alongside increase scrutiny from the loss prevention officer reduced shrinkage for the Group by a further c£60k year on year on a like for like basis Category management process have specific objectives on stock turn v margin. Greater transparency on discipline, category and product performance by channel.
▼ **Going concern, including liquidity and funding**	The on-going COVID-19 pandemic in all of the countries into which we sell our products had a significant and impact on the Group. There is a risk that the Group cannot operate as a going concern. This going concern risk is driven by liquidity – i.e., the risk that the Group will have insufficient funds to meet its financial obligations as they fall due. There is a risk that the Group is not able to access funding, from third parties to maintain the required liquidity to remain solvent.	The Group maintains prudent levels of liquid funds to enable the business to continue to operate through moderate fluctuations in economic conditions or through a period of sustained disruption which could reasonably be estimated. Equity raise in FY21 continues to provide the Group with excess liquidity to maintain a robust balance sheet and drive growth. The Group's policy throughout the year has been to ensure that it has adequate liquidity and present sufficient headroom to execute its European expansion without liquidity constraint. Further detail on the Group's assessment of going concern is contained in note 3 to the consolidated financial statements.	Excess cash above working capital requirement has enabled European expansion without need to raise further funding or constrain UK working capital. European strategy beyond online business or further UK M&A continue to be evaluated against the liquidity the Group holds, balance against the execution risk of further material activity at the time of launching the European distribution Centre.

In addition to the principal risks identified above, the Group is exposed to an element of currency risk. This risk is not considered to be a principal risk at this time. The Group's sales are mostly denominated in Pounds Sterling, however, the Group has approximately less than 3% of its revenue denominated in Euros (FY20: <5%). The Group also sources some of its products from outside the UK where the principal currency of purchase is US Dollars (from our suppliers in Asia). This is regularly monitored and represents approximately 5% of cost of sales for FY22. These transactions may give rise to an exposure to exchange rate fluctuations between the Euro or the US Dollar and Pounds Sterling. The Board does not see this as a material risk to the business results, position or operations due to the minimal levels of sales and purchases the Group undertakes in foreign currency. The Group has commenced a programme of hedging for dollar exposures based on anticipated dollar requirements based upon know orders placed and estimated lead times. Details of the outstanding dollar contracts are included within note 25 of the financial statements.

Sustainability, social and environmental responsibilities

Chairman's introduction

Anglers tend to be very environmentally aware and having been a keen angler since I was a boy, I am uniquely aware of our natural environment and am extremely passionate about its preservation. This passion was part of the purpose and culture embedded in Angling Direct from day one and, with the declining quality of our environment, our focus on this area sharpens every day. Most of what happens underwater is unfortunately "out of sight, out of mind". The angling community acts as the major watchdog of our waterways and as Angling Direct's reach grows we can increasingly influence, help and work with organisations such as the Angling Trust, to make a greater beneficial social and environmental impact.

Social and environmental aspects go beyond "responsibilities", they are intrinsic to our beliefs at Angling Direct and what we do. We aim to make a positive difference on the environment and in our communities, not just protecting fish, and combatting pollution of waters, but also caring for our anglers and the community at large.

During this last year we have increased our focus on a number of social and environmental projects, some of which are mentioned below, and I am particularly pleased that we have formed an Environmental Policy Group with the aim of intensifying that focus, guiding and driving our environmental initiatives and ambitions.

We continue to increase our involvement with the Angling Trust particularly in respect of getting more people angling and enjoying its social and well being benefits, and in our support of the Trust's "Anglers against Pollution" campaign.

We are passionate about promoting, supporting and growing the angling community, particularly within the younger generation. We endorse evidence that angling is a great way to improve mental health and physical well-being and we continue to encourage more anglers into the community through coaching and other grass roots initiatives, whilst also supporting research into the benefits of angling and ways of making it more accessible to all.

Our website provides further details of our community activities, and it also includes our modern-day slavery policy and gender pay reporting.

Our overall approach is built upon three key elements:

Caring for the Environment

During the year we formed our Environmental Policy Group which focuses on key issues and determines targets to drive and deliver our ambitions. We are focussed upon four "environmental buckets", which will be championed throughout the Company:

1. "Carbon Reduction – Reeling in Net Zero"
2. "Recycling Ambition – Closing the net on waste"
3. "Packaging reduction – Respooling own brand"
4. "Fish and fisheries protection – Keeping the net full"

We support the Anglers National Line Recycling Scheme with instore bins in every store and have so far recycled over 2.7 million metres of old fishing line.

Caring for People

We are committed to creating an environment that provides enjoyment and benefit to all our customers, visitors, and employees. People are our most important asset and they enable the Group to deliver its strategy.

This year we achieved our initial ambition of having two qualified fishing coaches in every store, thereby enhancing our ability to help even more people enjoy the benefits of fishing through coaching, not only instore but also at organised fishing events.

We are committed to several initiatives to promote, achieve and maintain equality and diversity within our organisation. The well-being of our colleagues is a key focus. We recognise that many live and breathe the passion of angling and are pursuing the career of their dreams. We

Economic Viability

We continue to take steps to ensure the economic sustainability of the Group thereby securing the future for our stakeholders, colleagues, and customers, whilst also allowing us to fulfill our social and environmental ambitions. As the Group grows, we create new jobs serving new anglers and customers in new catchments and channels, whilst providing a growing return to our shareholders.

In July 2018 we achieved the ISO 14001 standard, and we will continue to focus on reducing our carbon footprint. Our Streamlined Energy and Carbon Reporting statement can be found on page 44.

We continue to reduce our environmental impact within our supply chain by reducing the use of plastic packaging, re-using supplied goods cardboard packaging for outbound customers' orders, and converting all our premises lighting to LED.

We have digital energy meters and controls within all our store estate and continue to seek further opportunities to reduce energy consumption. We have ongoing projects to switch to 100% renewable electricity, electronically scan all supplier invoices, further reduce our support centre landfill waste, and convert to an all electric/hybrid vehicle fleet.

conduct mental health awareness training with all our key managers and free counselling services are available to all colleagues. We ensure every colleague receives formal performance reviews throughout the year and have commenced regular colleague engagement surveys to ensure we remain responsive to the diverse needs of our team members.

We have established several forums to listen and have two-way dialogue with various colleague groups.

During FY22 we continued to issue free starter kits to the younger generation to encourage the take up of angling. To date we have issued over 21,700 free kits. Our total charitable donations amounted to £12,500 in the year.

We support Tackling Minds, a group helping people with a range of life issues, and we have commissioned research currently being conducted at Anglia Ruskin University into the health benefits of fishing and the potential opportunities and implications of green social prescribing of angling (fishing on prescription) by the NHS. This is a major research programme focused on people with disabilities whether physical or mental.

9.9%

Net asset growth

9.9% YOY net asset growth achieved

Streamlined Energy and Carbon Reporting ('SECR')

The Group is required under the Streamlined Energy and carbon Reporting regulations to report how it manages its energy consumption and carbon emissions. This report forms part of the Director's report. We have once again published our direct Greenhouse gas ("GHG") emissions from sources that are controlled or owned by the Group ("Scope 1) and indirect GHG emissions from the Group's consumption of purchased electricity ("Scope 2") emissions. The Group has now begun collecting data on our "Scope 3" emissions through our programme to become PPN 06/21 compliant during the 2022 calendar year.

Monitoring and reporting these emissions enables us to evaluate and minimise our impact on the natural environment, which in turn protects the natural environment supporting us in our purpose to "Get Everyone Fishing".

The Company has appointed Enistic LTD to independently assess the business, using the methodology set out below, for the year ended 31 January 2022.

UK and offshore kWh and CO_2e Scope 1 emissions (direct)

Emissions from activities owned or controlled by the Group that release emissions into the atmosphere. Examples of Scope 1 emissions include emissions from combustion in owned or controlled boilers, furnaces, vehicles; emissions from chemical production in owned or controlled process equipment.

Scope 1

Energy type	Definition	2022 Total volume (kwh)	2022 Calculated emissions (tonnes of CO_2 e)	2021 Total volume (kwh)	2021 Calculated emissions (tonnes of CO_2 e)
Gas	Emissions from combustion of gas	228,792	49	159,637	29
Transport	Emissions from combustion of fuel for transport purposes	457,881	152	446,833	101
Total		686,673	201	606,470	130

Scope 2 emissions (indirect)

Emissions released into the atmosphere associated with your consumption of purchased electricity, heat, steam and cooling. These are indirect emissions that are a consequence of the Group's activities, but which occur at sources the Group do not own or control.

Scope 2

Energy type	Definition	2022 Total volume (kwh)	2022 Calculated emissions (tonnes of CO_2 e)	2021 Total volume (kwh)	2021 Calculated emissions (tonnes of CO_2 e)
Electricity	Emissions from purchased electricity	2,411,887	703	2,118,267	494
Total		2,411,887	703	2,118,267	494

Total emission scope summary

Energy type	2022 Total volume (kwh)	2022 Calculated emissions (tonnes of CO_2 e)	2021 Total volume (kwh)	2021 Calculated emissions (tonnes of CO_2 e)
Scope 1 (direct)	686,673	201	606,470	130
Scope 2 (indirect)	2,411,887	703	2,118,267	494
Total	3,098,560	904	2,724,737	624

Methodology used in the calculation of disclosures

The Group has taken guidance from the ESOS methodology (as specified in Complying with the Energy Savings Opportunity Scheme version 6, published by the Environment Agency, 21.01.21) used in conjunction with Government GHG reporting conversion factors.

For carbon only related matters, the SECR methodology as specified in "Environmental reporting guidelines: including Streamlined Energy and Carbon Reporting and greenhouse gas reporting" was used in conjunction with Government GHG reporting conversion factors.

For the FY22 disclosures include the impact of WTT (Well-To-Tank) being the emissions associated with the extraction, refining and transportation of the raw fuel prior to combustion, as well as T&D (Transmission and Distribution) being the emissions associated with grid losses (the energy loss that occurs in getting the electricity from the power station to Group's locations).

The Group has in accordance with best practice included WTT and T&D, this captures an accurate measurement of the Group's impact on the environment. This considers the logic that the fuel used (electricity & gas) would not have been extracted or refined if an alternative cleaner form of fuel was used.

Energy efficiency action

The Group is committed to responsible energy management and will practise energy efficiency throughout our organisation, wherever it's cost effective. We recognise that climate change is one of the most serious environmental challenges currently threatening the global community and we understand we have a role to play in reducing greenhouse gas emissions.

We have implemented the policies below for the purpose of increasing the businesses energy efficiency in the relevant financial year.

- Sub-metering project complete which facilitates analysis of energy consumption per physical location
- Monthly reporting by location on energy use and colleague rewards for reduction
- Continued to encourage flexible remote home working model post the COVID-19 pandemic
- Implemented and encouraged use of video conferencing as opposed to business travel
- LED lighting roll out in all new stores and full estate review underway
- Increased use of hybrid and fully electric vehicles

Intensity ratio

Intensity ratios compare emissions data with an appropriate business metric or financial indicator.

Intensity measurement	2022 Total volume (kwh)	2022 Calculated emissions (tonnes of CO_2 e)	2021 Total volume (kwh)	2021 Calculated emissions (tonnes of CO_2 e)
Tonnes of CO_2e per total £m sales revenue	72.5	12.47	67.6	9.23

The organisation has chosen to use tonnes of CO_2e per £m Turnover for its Intensity Ratio. The ratio has increased by 35%. This has been influenced by the increased trading days from the Group's physical store estate in FY22 as well as the changes for WTT and T&D set out above.

Had the intensity ratio been prepared on a consistent methodology basis, not reflecting the updating for best practice on WTT and T&D the intensity ratio would be 9.74 against the 9.23 in FY21, a degradation of 5.5%.

The Strategic Report on pages 2 to 45 was approved by the Board on 16 May 2022 and signed on its behalf:

Andy Torrance
Executive Director and Chief Executive Officer

2 Governance report

In this section

Chairman's introduction

Martyn Page
Non-Executive Chairman

It is the Board's responsibility to ensure that Angling Direct is managed for the long-term benefit of all shareholders. A corporate governance framework that is effective, whilst dynamic, is one of the foundations of a sustainable growth strategy and identifying, evaluating and managing risks and opportunities will underpin long-term value creation.

The Group continues to apply the Quoted Companies Alliance Corporate Governance Code (the 'QCA Code'), a proportionate principles-based approach constructed around ten broad principles with accompanying guidance, and this aspect of our report outlines how the Group operates in each of these key areas.

It is the Board's responsibility to ensure that the Group has an effective corporate governance framework. To this end, the Board continues to focus on and is determined that such a framework is of the highest possible standards, given the size and operations of the Company. The Board has a comprehensive training programme to assist in achieving this goal.

Darren Bailey stepped down as Non-Executive director at the Annual General Meeting of the Company on June 2021 and I ceased my Executive responsibilities and became Non-Executive Chairman at the Annual General Meeting of the Company on June 2021.

Martyn Page
Non-Executive Chairman

16 May 2022

The Board of Directors and Committees of the Board of Directors

At present, the Board considers that its members are appropriate for the size of the Group and its listing status. The Group will not fully comply with the recommendations of the QCA Guidelines as the Board does not have, or need, a Nomination Committee at this time. As the Group grows, the Board will actively consider adding additional Directors.

Board membership

Name	Role	Classification	Membership during year to 31 January 2021	Membership at date of this annual report
Martyn Page	Chairman	Non-Executive	Re-Appointed Non-Executive June 2021	No change
Andy Torrance	CEO	Executive	No change	No change
Steven Crowe	CFO	Executive	No change	No change
Paul Davies	Director	Non-Executive	Re-Appointed June 2021	No change
Dilys Maltby	Director	Non-Executive	No change	No change
Darren Bailey	Director	Non-Executive	Resigned June 2021	None

Further details about the Board members are set out in the "Director profiles" section.

Independence of Non-Executive Directors

The Non-Executive Directors are considered by the Board to be independent of management and free from any other business or other relationship which could materially affect their judgement.

Martyn Page, Non- Executive Chairman had an approximate shareholding of 14.25% as at 31 January 2022. All shareholders are made aware of the shareholding of the Chairman. Martyn's role and shareholding are monitored on an on-going basis through ongoing dialogue between Paul Davies and Singer Capital Markets Advisory LLP.

With respect to Martyn Page, due to his more significant shareholding, a 'Relationship Agreement' was put in place between the Group, Martyn Page and Cenkos Securities PLC (the Company's previous Nominated Adviser, now Singer Capital Markets Advisory LLP). This agreement covers the Group being capable of carrying on its Business independently of a controlling shareholder and the members of the Shareholder Group. This agreement is used to guide the Board when ensuring independent decisions are made.

Details of Directors' service contracts are given below.

Role of the Board

The Board's role is to agree the Group's long-term direction and monitor the achievement of its business objectives and purpose. The Board holds at least quarterly meetings for these purposes and holds additional meetings as and when necessary. The Board receives monthly Board reports and other reports as necessary for consideration on all significant strategic and operational matters.

There is a clear division of responsibility at the head of the Group. The primary responsibility of the Chairman is to lead the Board effectively and to oversee the adoption, delivery and communication of the Group's corporate governance model. The CEO is responsible for proposing the strategic focus to the Board, implementing it once it has been approved and overseeing the management of the Business through the Operating Board.

The Board delegates certain areas of its responsibilities to the Audit and Remuneration Committees, sub-committees of the Board. These committees operate within clearly defined, written terms of reference.

All Directors are submitted for re-election after three years, subject to continued satisfactory performance. As per the Articles of Association, all Directors were re-elected at the 2018 Annual General Meeting ('AGM') and shall retire at least once every three years. All Directors had access throughout the year to the advice and services of the Company Secretary, Shona Wright, who is responsible for ensuring that Board procedures and applicable regulations under the Company's Articles of Association or otherwise are complied with.

In the furtherance of their duties or in relation to acts carried out by the Board or the Group, each Director has been informed that they are entitled to seek independent professional advice at the expense of the Group. The Group maintains appropriate cover under a Directors and Officers insurance policy in the event of legal action being taken against any Director.

The table below shows the number of Board, Audit Committee and Remuneration Committee meetings held in the period from the start of the financial year to the date of approval of the annual report. Due to the ongoing situation regarding COVID-19, and Cyber incident, the frequency of meetings increased, in addition most meetings remained virtual in line with government guidance. The table also shows the attendance of each Director.

Director	Role	Board Meetings	Audit Committee Meetings	Remuneration Committee Meetings
Martyn Page	Non-Executive Chairman	10/13		
Andy Torrance	CEO	13/13		
Steve Crowe	CFO	13/13	2/2	
Paul Davies	Non-Executive Director	10/13	2/2	2/2
Darren Bailey	Non-Executive Director	5/13		
Dilys Maltby	Non-Executive Director	10/13	2/2	2/2

The Board receives appropriate and timely information prior to each meeting. A formal agenda is produced for each meeting by the Company Secretary. Board papers are distributed several days before meetings take place. Any Director may challenge Group proposals and decisions are taken democratically after discussion. Any Director who feels that any concern remains unresolved after discussion may ask for that concern to be noted in the minutes of the meeting, which are then circulated to all Directors. Any specific actions arising from such meetings are agreed by the Board or relevant Committee and then followed up by the Group's management.

The Board is responsible for reviewing and approving the overall Group strategy, approving revenue and capital budgets, and for determining the financial structure of the Group including financing and dividend policy. Monthly results and variances from plans and forecasts are reported to the Board. Key Board activities carried out during the year included:

- COVID- 19 Business sustainability, continuity, scenario planning and reforecasting review;
- Cyber security incident Business continuity, crisis management and GDPR/FCA reporting obligations;
- Principal risk review and evaluation;
- International strategy;
- Review of all new store plans and roll-outs; and
- Regular review of the ongoing wider strategic objectives during the pandemic.

Board evaluation and training

The Board's members complement each other's knowledge, through sector experience, qualifications and skills. Every Board member has the appropriate time to discharge their duties and attend all designated meetings.

The Group's solicitors and NOMAD provide necessary knowledge and training to Directors when required. When a new Director joins the Group and where government restrictions allow, there is a full day of orientation wherein the Director is familiarised with the values, culture and ethics of the Group.

Board evaluation is conducted continuously, and feedback encouraged and shared throughout the year, the Non-Executive Directors have specific terms of engagement, and their remuneration is determined by the Board. It is the Chairman's responsibility to assess the individual contributions of the members of the Board, considering effectiveness, commitment, and knowledge applicable to the business. There has been no independent or external evaluation of the Board's effectiveness during the period. An internal review was conducted in March 2022.

The Non-Executive Directors receive remuneration in the form of Director's fees.

Paul Davies holds 15,625 nominal trust shares. Darren Bailey who resigned as a Non-Executive Director on 23 June 2021 holds 2,138,125 shares amounting to 2.77% of the issued shares as at 31 January 2022. Dilys Maltby does not own any shares in the Group.

Shareholder communications

The Group recognises the importance of meeting the shareholders expectations and engages in managing those through formal meetings, informal communications and stock exchange announcements. The "Section 172 statement" which can be found within the strategic report summarises the general approach to shareholder engagement.

A range of corporate information (including all Group announcements) is also available to shareholders, investors and the public on the Group's corporate website, www.anglingdirect.co.uk/investors. The Board receives regular updates on the views of shareholders through briefings and reports from the CEO, CFO and the Group's Nominated Advisor and Broker. In addition, analysts' notes and brokers' briefings are reviewed.

Culture, environmental and social responsibilities, employees

The Board recognises its environmental and social responsibilities, and that of maintaining and improving the overall Group culture and employee relationships.

Culture

The Board aims for the Group to be considered as a well-respected ambassador for angling and it aims to promote angling in the wider community. The heart of our purpose is 'getting everyone fishing' with an emphasis on encouraging customers, colleagues and their wider communities to spend more time outdoors.

The Board believes that the promotion of a corporate culture based on sound ethical values and behaviours is essential to maximise shareholder value. Setting the example from top down, the Group inspires a community culture. It encourages openness amongst its employees. New creative ideas which improve the Group's performance and stakeholder experience are encouraged. A colleague led committee (AD Voice) has been created, made up of representatives across the business, with meetings taking place approximately every 6 weeks it is already providing a great feedback link for the Group.

Environment and social

The Group aims to meet the expectations of its stakeholders, including society. This is why the communities are considered one of the Group's strategic pillars as described further in the strategic report. The Group also considers its role with respect to the environment and socially as detailed in the "Section 172 statement" and the "Social and environmental responsibilities" sections of the strategic report. A newly formed Environmental Policy Group ensures that the Group will lead on key activities alongside driving an ethos of greater awareness to facilitate specific actions.

Employees

As set out in the Directors' report and "Section 172 statement" of the strategic report, the Group encourages its employees to understand all aspects of the Group's business and seeks to remunerate its employees fairly and flexibly where practicable. In house and external training courses are held throughout the year to develop the skills of employees.

Committees of the Board of Directors

The Board of Angling Direct PLC is committed to good corporate governance and accordingly applies the corporate governance guidelines of the QCA Code. The Board has established (a) an Audit Committee and (b) a Remuneration Committee, with formally delegated duties and responsibilities as described below.

(a) Audit Committee

Paul Davies - Chairman of the Audit Committee

Key Responsibilities

- reviewing and monitoring financial reporting;
- evaluating the internal control environment; and
- leading the relationship with the external auditors.

Committee composition during the year ended 31 January 2022:

Member	Attendance
Paul Davies	2/2
Dilys Maltby	2/2

Responsibilities and terms of reference

The Committee is responsible for ensuring that the financial performance of the Group is properly monitored and reported, for meeting with the external auditor and for reviewing its reports relating to financial statements and internal control matters. The CFO and the CEO (on agenda items of relevance) are invited to attend such meetings, but the Committee also meets with the auditor without the CEO and the CFO being present at least once annually. Other members of management are invited to present such reports as are required for the Committee to discharge its duties.

The agenda of each meeting is linked to the reporting requirements of the Group and the Group's financial calendar. Each Audit Committee member has the right to require reports on matters relevant to its terms of reference in addition to the regular items.

Summary of activity

In the year ended 31 January 2022 and up to the date of this report the actions taken by the Audit Committee to discharge its duties included:

- Reviewing the 2022 Annual Report and Financial Statements and the Interim Report issued in October 2021, including significant financial reporting judgements contained therein. As part of these reviews the Committee received a report from the external auditor on its audit of the annual financial statements;
- Advising the Board that the Annual Report and Financial Statements is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy;
- Reviewing the external auditor's audit planning document, with particular reference to the audit approach, planned materiality, significant risks as detailed in the independent Auditor's Report and the audit approach to these risks;
- Evaluated the treatment of restating a primary statement due to the revision of contractual lease dates for right of-use land and buildings as a restatement of comparative years as opposed to disclosing as a remeasurement of the lease in the current reporting year;
- Reviewing the external auditor's audit findings memorandum, noting conclusions in respect of identified audit risks, materiality of adjusted and unadjusted misstatements, control observations and suggested improvements in the disclosures provided in the Annual Report and Financial Statements;
- Considering papers prepared by the CFO to support the going concern basis of preparation;
- Agreeing the fees to be paid to the external auditor for its audit of the 2022 financial statements; and
- Reviewing and monitoring the external auditor's independence and objectivity through regular meetings and conversations between the Committee Chairman, the Committee and members of the senior finance team, taking into account relevant regulations and ethical guidance.

Significant financial reporting risks and judgement areas considered

Stock valuations and Provisions

Due to the materiality of the stock balance to the financial statements, stock valuation is a key area of risk. Furthermore, ongoing work to reduce the number of SKUs during the year has led to an inherent increased risk of obsolete stock. The Committee has assessed the additional work carried out by both the Company's finance team and the external auditors to ensure that the stock value is fairly stated in the financial statements.

Management override

During the year, we have reviewed the appropriateness of controls around management override of controls, ensuring the controls in place are robust where appropriate recommending areas for improvement.

Going concern and viability assessment

The Committee reviewed and advised the Board on the Group's going concern statements included in this Annual Report and financial statements and the assessment reports prepared by management to support such statements. The current and anticipated impact of COVID 19 was considered as part of the review. The external auditor discussed the statements with the Committee and reviewed the conclusions reached by management regarding going concern.

External auditor

The external auditor was appointed with effect from the year ended 31 January 2018 giving a current tenure of five years. The appointment is reviewed and subject to a shareholder vote at the AGM on an annual basis. Details of the fees paid to Price Bailey LLP during the financial year are set out below.

The Committee reviews the effectiveness of the external audit process, including discussing feedback from members of the senior finance team involved in the audit process.

Non-audit services are first considered by the CFO and, where appropriate, referred to the Committee. Any approvals would be provided on the basis of Group policy. In the year, no non-audit services were provided by the external auditor.

Approval

The members of the Audit Committee have reviewed the financial statements and the content of the Annual Report and Financial Statements to ensure that it is fair, balanced and understandable and, accordingly, the Audit Committee resolved to recommend that the Board makes the Directors' Responsibility statement set out on page 62.

Further details on the specific risks identified are covered in the "Risks and uncertainties" section of the strategic report and the judgements and estimates involved in the financial statements as detailed in note 3 to the consolidated financial statements.

External auditor and non-audit services

Fees in relation to services provided by the external auditor were:

	2022 £	2021 £
Audit fee	45,000	40,000
Non-audit fees	–	–
Total fees	45,000	40,000

(b) Remuneration Committee

As an AIM listed Group, the Group is not required to comply with the UK Corporate Governance Code nor Section 420 of the Companies Act 2006 regarding Directors' remuneration reports. The Group has however chosen to adopt a remuneration policy and provide Directors' remuneration within this section of the report in the interests of good governance.

Paul Davies - Chairman of the Remuneration Committee.

Key Responsibilities

- reviewing the remuneration packages of the Executive Directors and the Operating Board;
- making recommendations to the Board on the bonus scheme in place for the Chief Executive Officer, the Chief Financial Officer and the senior management team including, inter alia, the KPIs to be achieved and maximum levels of bonus payable to each member; and
- monitoring and reviewing the Group's remuneration policies at all levels of operations.

Committee composition during the year ended 31 January 2022:

Member	Attendance
Paul Davies	2/2
Dilys Maltby	2/2

Remuneration Policy

The remuneration policy adopted by the Company is key to the success of the Angling Direct Group and therefore is the most critical part of the Remuneration Committee's role. The remuneration of the Chief Executive Officer, the Chief Financial Officer and the Operating Board is wholly designed to retain and incentivise the team and ensure that the Company achieves its ultimate objective in increasing shareholder value over the long term. With regard to the overall package offered to the team members, the objective is to retain and suitably motivate such team members to deliver performance in excess of market expectations. A competitive, but not excessive basic salary, together with a competitive bonus annual cash scheme are designed to drive and reward exceptional performance and align the interests of both management and shareholders.

Notwithstanding the one-off Long-Term Incentive Plan ('LTIP') plan to secure the new Executive team, the Remuneration Committee is currently formulating a long term incentive scheme for the Executive Team and the Operating Board.

Performance and decisions taken in the year ended 31 January 2022

Salaries are reviewed annually and benchmarked against AIM companies of a similar size in the retail sector and with reference to the discounted options issued to the current Chief Executive Officer and Chief Financial Officer on 18 August 2020. Any changes are effective from 1 February of the following financial year.

The current Chief Executive Officer was appointed on 10 February 2020 and an annual salary of £185,000 was agreed. In the year ended 31 January 2021, the salary of the CEO was increased to £215,000 per annum and no changes to this salary have been made during the past financial year. However, as noted below the salary of the CEO has been increased to £256,000 for the current year ending 31 January 2023.

The Chief Financial Officer joined the Company on 2 January 2020 on an annual salary of £150,000. In the year ended 31 January 2021, the salary of the CFO was increased to £175,000 per annum and no changes to this salary have been made during the past financial year. However, as noted below the salary of the CFO has been increased to £195,000 for the current year ending 31 January 2023.

A cash bonus scheme was introduced in April 2020 to incentivise the Operating Board of the Group. The CEO, the CFO and four members of the Operating Board were identified to participate in this bonus scheme. The scheme is based upon the Company exceeding market forecasts in four key performance indicators – turnover, gross margin percentage, EBITDA (pre IFRS 16 adjustments) and the development of the Angling direct brand. An equal weighting is attached to all four key performance indicators. The maximum bonus payable to each member bonus scheme is capped at a percentage of basic salary as follows: CEO - 100%, CFO - 75% and Operating Board members at 50%.

The results for the year ended 31 January 2022 shows that all four key performance indicators were achieved, and the scale of outperformance delivered the maximum capped bonus for each scheme member. The liquidity forecasts of the Group resulted in the Renumeration Committee approving these respective bonus payments in cash post the 31 January 2022 year end.

Commercial changes

Following a review of salaries for similar sized AIM quoted companies, the Remuneration Committee has recommended to the Board that the basic salaries of the CEO and CFO are increased to £256,000 per annum and £195,000 per annum, respectively. Following the announcement made on 11 May 2021 whereby Martyn Page stood down as Executive Chairman to take up a role as the Non-Executive Chairman, it was It was further recommended that the basic salary of the Non-Executive Chairman remain at £70,000 per annum.

No changes to the bonus scheme are proposed.

Directors' interests

The beneficial interests of the Directors in the share capital of the Group as at 31 January 2022 and 31 January 2021 were as follows:

	31 January 2021 Number of shares	31 January 2022 Number of shares	31 January 2022 % of issued share capital
Non - Executive Directors			
Martyn Page	11,385,000	11,010,000	14.25%
Executive Directors			
Andy Torrance	-	25,000	0.03%

The Directors' interests in share options as at 31 January 2022 are discussed below.

Non-Executive Directors' terms of engagement

The Non-Executive Directors have specific terms of engagement. Their remuneration is determined by the Board. If a Non-Executive Director undertakes additional assignments for the Group, a fee will be agreed by the Board in respect of each assignment.

Their fees are reviewed annually and set in line with prevailing market conditions and at a level which will attract and retain individuals with the necessary experience and expertise to make a significant contribution to the Group's affairs.

Aggregate Directors' remuneration

The normal remuneration arrangements for the Executive Directors is a basic salary, pension contributions, car allowance and private medical insurance. The remuneration paid to the Directors inclusive of employee benefits, in accordance with the service contracts, during the year ended 31 January 2022 was as follows

	Salary and fees £	Benefits £	Bonus £	Pensions £	2022 total £	2021 total £
Executive						
Andy Torrance	215,000	29,904	215,000	-	459,904	393,660
Steven Crowe	175,000	11,730	131,250	14,000	331,980	285,991
Non-Executive						
Martyn Page	70,000	4,716	-	5,600	80,316	82,219
Darren Bailey*	15,000	-	-	450	15,450	50,950
Paul Davies	36,000	-	-	1,080	37,080	36,050
Dilys Maltby	36,000	1,080	-	-	37,080	35,000

* 1st Feb 2021 – 30 June 2021

The Directors have contracts with an indefinite term and a stated termination notice period, as detailed below.

	Date of appointment	Notice period
Executive		
Andy Torrance	04.10.2019	6 months
Steven Crowe	02.01.2020	3 months
Non-Executive		
Martyn Page	06.04.2017	6 months
Paul Davies	09.06.2017	3 months
Dilys Maltby	03.02.2020	3 months

Share incentive plan

As set out above during the prior year the Company issued shares under a one off LTIP scheme for the incoming CEO and CFO.

The Group has adopted, with effect from admission to AIM, a share dealing code regulating share trading and the confidentiality of inside information for the Directors and other persons discharging managerial responsibilities (and persons closely associated with them), which contains provisions appropriate for a Group whose shares are admitted to trading on AIM (particularly relating to not dealing during closed periods) and which are in line with the requirements of the Market Abuse Regulation. The Group will take all reasonable steps to ensure compliance by the Directors and any relevant employees with the terms of that share dealing code.

The details of the Directors' share options are as follows:

Executive	Scheme	1 February 2021	Awarded during period	Vested and exercised during the period	31 January 2022	Date granted
Andy Torrance	LTIP	810,000	-	-	810,000	18 August 2020
Steven Crowe	LTIP	666,666	-	-	666,666	18 August 2020

The Directors' interests in share options as at 31 January 2022 are as follows:

Director	Number	Exercise price	Earliest Exercise date	Expiry date
Andy Torrance	540,000	22p per share	31 January 2023	18 August 2030
Andy Torrance	270,000	21p per share	31 March 2024	18 August 2030
Steven Crowe	444,444	22p per share	31 January 2023	18 August 2030
Steven Crowe	222,222	21p per share	31 March 2024	18 August 2030

Director profiles

Executive Directors

Andy Torrance
Chief Executive Officer
(former Non-Executive Director)

After joining the Group as a Non-Executive Director in October 2019, Andy became CEO in February 2020. Having previously held Chief Operating Officer ('COO') positions at Dunelm and Holland & Barrett, as well as a number of Executive roles during a 12-year tenure at Halfords, Andy has a wealth of specialist retail experience. Commercially astute with demonstrated leadership skills, Andy has successfully grown brands across multiple geographies, driving sales and delivering EBITDA growth by implementing customer centric Omni-channel strategies. In his position as COO of Holland & Barrett, Andy had executive accountability for leadership, customer experience and store profit or loss in 1,064 stores in UK, Eire, The Netherlands, Belgium and Sweden.

Steven Crowe
Chief Financial Officer,
ACA, BA (Hons)

Steven joined the Group in January 2020 with a proven background as a CFO and senior executive. He has a range of financial, commercial and strategic experience in both the private equity and blue-chip corporate environment. He has almost 25 years of relevant experience which commenced at PricewaterhouseCoopers. This experience included leading businesses in strategy, mergers & acquisitions ('M&A'), planning and reporting as well as driving major commercial and business change decisions and execution. All of these skills are key to his role within the Group. He also has a first-class record of building sustainable senior stakeholder relationships and developing high performance teams. These skills are crucial to his role. Steven's previous posts include COO at Verisk Claims, CFO at Validus IVC Ltd, Financial Planning and Analysis Director at Aviva General Insurance and M&A Director Aviva General Insurance.

Non-Executive Directors

Martyn Page
Non-Executive Chairman

Martyn is a co-founder and a major shareholder of the Group. Martyn founded Angling Direct in 1997 following the acquisition of Norwich Angling Centre. Alongside his Executive role at the Group, Martyn has worked as a corporate accountant for over 40 years. Experience includes advising and guiding companies from start-ups to UK and international operations with revenue in excess of several hundred million pounds. Martyn is a well-known angler, within the UK and internationally, and is an angling author, who is also involved in national committees and clubs working for the improvement of fisheries and education and promotion of angling. Martyn is one the founder Directors of the Broads Angling Service Group CIC dedicated to protecting, maintaining and improving the Norfolk Broads.

Paul Davies
ACA, Non-Executive Director

Paul was re- appointed to the Board on 23 June 2021. Having previously qualified as a chartered accountant, his career includes working on a larger number of flotations and secondary fundraisings (both on AIM and the Full List) and small-cap M&A transactions.

Dilys Maltby
Non-Executive Director

Dilys is Senior Partner and co-founder of Circus, a boutique management consultancy which specialises in company purpose and propositions. Dilys supports the Angling Direct Board on the role of Purpose for colleague and customer alike.
As a consultant, Dilys has led engagements for The Body Shop, Pets at Home, The White Company and Hyundai, amongst many others. Dilys is also a Non-Executive Director for Sophia Webster and Responsible Travel.

Directors' report

Director's report

The Director's present their Annual Report and Financial Statements together with the audited consolidated financial statements for the year ended 31 January 2022.

Principal activity

The principal activity of the Group is the sale of fishing tackle through its websites and stores. The Group's business model is designed to generate growth by providing excellent customer service, expert advice and ensuring product lines include a complete range of premium equipment. Customers range from the casual hobbyist through to the committed angler.

Business review and future developments

The strategic report on pages 2 to 45 includes the Group's strategy, business model, and progress in the year under review and considers key risks and outlook. A review of the Group's current operations, future developments and financial review is covered in the "Chief Executive Officer's statement" and the "Chief Financial Officer's statement" contained within the strategic report. These include key performance indicators (pages 12 to 13) and principal risks and uncertainties pages (35 to 40).

Financial results

The Group's financial performance and position are set out in the consolidated financial statements on pages 70 to 102 and discussed in the Chief Financial Officer's statement on pages 26 to 31 of the strategic report.

Going concern and significant events after the reporting date

The impact of COVID-19 has been considered in detail throughout the annual report.

The strategic report sets out the Chairman's, CEO's and CFO's view of the developing situation and the impact on the Group's operations, financial performance and outlook as well as covering the risks involved in relation to the pandemic.

The Governance code requires the Board to assess and report on the prospects of the Group and whether the business is a going concern. In considering this requirement the Directors have taken into account the Group's forecast cash flows, liquidity and the expected operational activities of the Group.

As part of the going concern assessment, the Group continues on a monthly basis to model outcomes based on latest run rate data. As referenced in the judgements and estimates section of the Annual report the stress testing which would challenge the liquidity is outside what the Board believe to be a plausible likely scenario.

Having due regard to these matters and after making appropriate enquiries, the Directors have a reasonable expectation that the Group and the Company have adequate resources to remain in operation until at least twelve months after the approval of these financial statements. The Board has therefore continued to adopt the going concern basis in preparing the consolidated financial statements.

Dividends

The Board is focussed on carefully navigating COVID-19 and reinvesting all its surplus cash into the business to deliver on its strategic objectives. As a result of this, in the short term, the Directors do not recommend a dividend payment to be distributed for the year ended 31 January 2022 (2021: £nil). The ability of the Group to pay a dividend is also subject to constraints including the availability of distributable reserves and the Group's financial and operating performance. Distributable reserves are determined as required by the Companies Act 2006 by reference to a company's individual financial statements. The dividend policy will be kept under review.

Research and development

The Group invests in technology, including development of its ecommerce platforms. Where it is considered that an asset has been created which provides economic benefits extending to future financial periods, related costs are capitalised. The amount capitalised during the financial year is £327,000 (2021: £338,000). Further details on development of the ecommerce platforms are included in the strategic report.

Directors

The Directors who served on the Board and on Board committees during the year are:

Director	Position	Service in the year ended 31 January 2022
Martyn Page	Non - Executive Chairman	Re-appointed Non-Executive 23 June 2021
Andy Torrance	Chief Executive Officer ('CEO')	Served throughout the year
Steven Crowe	Chief Financial Officer ('CFO')	Served throughout the year
Darren Bailey	Non-Executive Director	Resigned 23 June 2021
Paul Davies	Non-Executive Director	Re-elected 23 June 2021
Dilys Maltby	Non-Executive Director	Served throughout the year

Director profiles are included in the corporate governance report on pages 56 to 57. As per the Articles of Association, all Directors were re-elected at the 2018 AGM and shall retire at least once every three years.

Directors' shareholdings

Details of the Directors' shareholdings are included in the corporate governance report.

Substantial shareholdings

At 31 January 2022, the Group had been notified of the following shareholders whose investments amounted to more than 3% of the parent Company's ordinary share capital of 77,267,304 shares of 1 pence. See corporate governance report for details on how substantial shareholdings and potential conflicts of interest or exerting undue influence are considered.

Shareholder	Shareholding	% holding
Gresham House Asset Management	15,749,204	20.38
Business Growth Fund	11,325,000	14.66
Mr M Page	11,010,000	14.25
Mr W Hill	9,223,000	11.94
Canaccord Genuity Wealth Management	7,736,972	10.01
Octopus Investments	4,825,000	6.24
Mr R Beaumont	3,040,000	3.93
Hargreaves Lansdown	2,599,311	3.36

Directors' remuneration

A full breakdown of the Directors' remuneration is provided in "Aggregate Directors' remuneration" section of the corporate governance report on page 54.

Charitable and political donations

During the year ended 31 January 2022, the Group made political donations totalling £nil (2021: £nil) and charitable donations amounting to £12,500 (FY21: £21,000).

Health and safety

The objective of the Group's Health and Safety Policy is to protect the Group's stakeholders. The Board approves this policy. Further information on health and safety is provided within the "Principal risks and uncertainties" section of the strategic report.

Significant agreements

The Companies Act 2006 requires the Group to disclose any significant agreements which take effect, alter or terminate upon a change in control of the Group. The Group is not aware of, or party to, any such agreement.

Risk management

The risks to which the business is exposed are detailed in the "Principal risks and uncertainties" section of the strategic report.

Financial instruments

The Group's policy and exposure to financial instruments is explained in note 25 to the consolidated financial statements.

Employees

The Group is a committed equal opportunities employer and gives full and fair consideration to applications for employment, regardless of age, gender, colour, ethnicity, nationality, religious beliefs, transgender status or sexual orientation. Applications for employment by disabled persons are fully considered, bearing in mind the respective aptitudes and abilities of the applications concerned. All training, career development and promotion opportunities of a disabled person should, as far as possible, be identical to that of a person who does not have a disability.

The gender of the Group's employees as at 31 January 2022 was:

	Male	Female
Directors of the Group	4	1
Employees in other senior executive positions	3	1
Directors of subsidiary companies not included in above	1	-
Total senior managers other than Directors of the Group	3	1
Other employees of the Group	338	63

The Board takes into account employees' interests when making decisions, and suggestions from employees aimed at improving the Group's performance are welcomed. The Group has an Anti-bribery and Corruption Policy and Code of Conduct which explain the required levels of conduct and provide details on how employees may raise any concerns they have. Further details of engagement with employees is provided in the "Section 172 statement" of the strategic report.

Corporate responsibility

The Board monitors the significance of social, environmental, and ethical matters affecting the business of the Group on an on-going basis. The Group aims to positively engage with the local communities it serves and with stakeholders as appropriate. Further details of such activities which were carried out in the financial year are provided in the "Section 172 statement" of the strategic report.

Environment

The Board recognises that its activities can have an impact on the local environment. The Group's activities are carried out to achieve minimal environmental impact and recycle as much as it possibly can. The Group's impact on the environment is discussed further in the "Section 172 statement" of the strategic report and the Streamlined Energy and Carbon Reporting page 44 to 45.

Shareholders

The Board seeks to protect shareholders' interests and the Directors are always prepared, where practicable, to enter into dialogue with shareholders to promote a mutual understanding of the objectives of the Group. The Annual General Meeting provides the Board with an opportunity to meet and communicate with investors. Further details of the Group's engagement with its shareholders is provided in the corporate governance section on page 50 and in the "Section 172 statement" of the strategic report.

Qualifying third-party indemnity

The Group has provided an indemnity for the benefit of its current Directors which is a qualifying third-party indemnity provision for the purpose of the Companies Act 2006.

Suppliers

The Group recognises that the goodwill of its suppliers is important to its success and seeks to build and maintain this goodwill through fair dealings. The Group agrees terms of payment with suppliers at the start of business and then makes payments in accordance with contractual and other legal obligations. The Group has a prompt payment policy and seeks to settle all agreed liabilities within the agreed trading terms of its suppliers. The amount shown in the consolidated and Company statement of financial position in respect of trade payables at the end of the financial year represents 45 days of average daily purchases (FY21: 47 days). Further details of the Group's engagement with its suppliers is provided in the "Section 172 statement" of the strategic report.

Statement as to disclosure of information to auditor

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Group's auditor is unaware, and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Auditor

A resolution for the reappointment of Price Bailey LLP Chartered Accountants & Statutory Auditors as auditor of the Group is to be proposed at the forthcoming Annual General Meeting.

Andy Torrance
Executive Director and Chief Executive Officer

16 May 2022

Directors' responsibilities statement

The Directors are responsible for preparing the annual report and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and parent Company financial statements for each financial year. Under the AIM rules of the London Stock Exchange they are required to prepare the Group financial statements in accordance with UK adopted international accounting standards and applicable law and the parent Company financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice) ('FRS 101').

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of the Group's profit or loss for that period. In preparing each of the Group and parent financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether the Group financial statements has been prepared in accordance with UK adopted international accounting standards and the Company financial statements in accordance with FRS 101;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and parent Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and parent Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a strategic report and a Directors' report that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

We consider the annual report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and parent Company's position and performance, business model and strategy.

Signed on behalf of the Board

Martyn Page
Non-Executive Chairman

16 May 2022

3 Financial statements

In this section

Independent auditor's report to the members of Angling Direct PLC

Opinion

We have audited the financial statements of Angling Direct PLC (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 January 2022 which comprise the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 January 2022 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted International Accounting Standards; and
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, 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. Our evaluation of the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included a review of forecasts prepared by management and evaluating the key assumptions in the forecasts and using sensitivity analysis and considering whether the assumptions appear reasonable taking into account past performance and current conditions. As at 31 January 2022 the group had cash balances of £16,604k and we assessed whether this will be sufficient to enable the group to meet liabilities as they fall due, taking into account market conditions.

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

Our approach to the audit

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 addressed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: overall audit strategy, the allocation of resources in the audit, the directing of 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, we do not provide a separate opinion on these matters.

Revenue recognition

The Group handles a significant level of transactions on a daily basis within its various revenue streams. The risk is that income has failed to be recognised in the appropriate period and subsequently revenue has not been recognised in line with the accounting policy. Given that e-commerce sales are despatched, there is a cut-off risk surrounding these items and the point of recognition.

We focused on timing of revenue recognition in accordance with stated accounting policies and its subsequent presentation in the Income Statement.

Our procedures included:

- Detailed depth testing on a sample of transactions ensuring they had been accounted for correctly and that revenue is compete.
- Testing that cut off has been applied correctly and that income and associated direct costs have been recorded in the appropriate period and that adequate provisions have been made for good returned post year end.

Inventories

The Group holds material inventory given the nature of the trade. The main risks are ensuring that the inventory is held at the appropriate value given that new ranges of fishing equipment are brought out regularly which could impact the value of older ranges, and that inventory exists.

We focused on inventory valuation and recognition in accordance with stated accounting policies.

Our procedures included:

- Attendance of a sample of year end inventory counts carrying out sample counts and observing procedures.
- Testing of a sample of inventory items to purchase invoices and sales post year end to ensure appropriately recorded at the lower of cost or net realisable value.
- We reviewed a sample of inventory in transit at the year end to ensure recorded in the appropriate period. We also reviewed a selection of sales and purchases around the year end to ensure recorded in the appropriate period. Slow moving and obsolete inventory policies were reviewed, discussed with management and the provisions calculated by management were tested to supporting information.

Impairment of Goodwill

Goodwill is required to be assessed for impairment annually. There is a risk that the goodwill is subject to impairment.

Our procedures included:

- We assessed management's methodology of impairment review and accounting policy as set out in note 12 to ensure it was carried out as required under IAS36, "Impairment of Assets". We evaluated management's cash flow forecasts and the process by which they were drawn up. We assessed whether the cash flow forecast were prepared taking into consideration the appropriate group of cash generating units.
- We considered the assumptions used by management including the discount rate and growth rates. We carried our sensitivity analysis. We also reviewed the appropriateness and completeness of disclosure shown in the notes to the accounts.

Our application of materiality

We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonably knowledgeable users that are taken on the basis of financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We based materiality on profit before tax of the Group and concluded materiality to be £380,000. We consider that profit before tax provides us with the most relevant performance measure to stakeholders of the entity given the stage of the Group's activity and growth.

We apply the concept of materiality both in the planning and performance of the audit, and in evaluating the effects of misstatements.

During the course of the audit we reassessed materiality from planning to reflect the final reported performance of the Group. There was no change made to our planning materiality.

Other Information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Directors' report have been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and 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 parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

In preparing the financial statements, the Directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the 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.

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:

We obtained an understanding of the legal and regulatory framework applicable to the group and the parent company and the industry in which it operates and considered the risk of non-compliance with the applicable laws and regulations including fraud, in particular those that could have a material impact on the financial statements.

This included those regulations directly related to the financial statements, including financial reporting, tax legislation and distributable profits. In relation to the industry this included GDPR, employment laws and health and safety.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Board meetings and Audit Committee meetings, correspondence with their regulators, agreeing the financial statement disclosures to underlying supporting documentation, enquiries of management including those responsible for the key regulations for any instances of actual, suspected or alleged fraud or non-compliance.

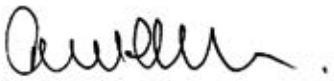
To address the risk of management override of controls, we used data analytics to carry out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

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. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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.



Paul Cullen FCCA
(Senior Statutory Auditor)

for and on behalf of Price Bailey LLP

Chartered Accountants & Statutory Auditors
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

16 May 2022

Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 January 2022

	Note	2022 £'000	Restated 2021 £'000
Revenue from contracts with customers	6	72,474	67,581
Cost of sales of goods	9	(45,864)	(44,458)
Gross profit		26,610	23,123
Other income		914	1,540
Interest revenue calculated using the effective interest method		14	24
Expenses			
Administrative expenses		(19,687)	(18,194)
Distribution expenses		(3,423)	(3,424)
Finance costs	9	(406)	(398)
Profit before income tax expense		4,022	2,671
Income tax expense	11	(945)	(246)
Profit after income tax expense for the year attributable to the owners of Angling Direct PLC		3,077	2,425
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Angling Direct PLC		3,077	2,425
		Pence	Pence
Basic earnings per share	33	3.98	3.36
Diluted earnings per share	33	3.93	3.31

Refer to note 4 for detailed information on Restatement of comparatives – restatement of right-of-use asset expiry dates.

Consolidated statement of financial position

As at 31 January 2022

	Note	2022 £'000	Restated 2021 £'000	Restated 2020 £'000
Non-current assets				
Intangibles	12	6,176	6,251	6,216
Property, plant and equipment	13	6,908	6,019	5,593
Right-of-use assets	14	11,028	10,007	9,588
Total non-current assets		24,112	22,277	21,397
Current assets				
Inventories	15	16,273	12,481	13,453
Trade and other receivables	16	542	623	509
Prepayments		545	245	474
Cash and cash equivalents		16,604	14,996	5,978
Total current assets		33,964	28,345	20,414
Current liabilities				
Trade and other payables	17	8,680	6,741	6,430
Lease liabilities	18	1,648	1,358	1,182
Derivative financial instruments		1	-	-
Income tax		464	-	17
Total current liabilities		10,793	8,099	7,629
Net current assets		23,171	20,246	12,785
Total assets less current liabilities		47,283	42,523	34,182
Non-current liabilities				
Lease liabilities	18	9,402	8,831	8,428
Restoration provision	19	722	282	254
Deferred tax	20	744	263	-
Total non-current liabilities		10,868	9,376	8,682
Net assets		36,415	33,147	25,500
Equity				
Share capital	21	773	773	646
Share premium	22	31,037	31,037	26,017
Reserves	23	266	75	-
Retained profits / (accumulated losses)		4,339	1,262	(1,163)
Total equity		36,415	33,147	25,500

Refer to note 4 for detailed information on Restatement of comparatives – restatement of right-of-use asset lease expiry dates.

The financial statements of Angling Direct PLC (company number 05151321 (England and Wales)) were approved by the Board of Directors and authorised for issue on 16 May 2022. They were signed on its behalf by:

Andy Torrance
Executive Director and Chief Executive Officer

16 May 2022

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

For the year ended 31 January 2022

Consolidated	Share capital £'000	Share premium account £'000	Share–based payment reserve £'000	Retained profits £'000	Total equity £'000
Balance at 1 February 2020	646	26,017	-	(1,172)	25,491
Adjustment for restatement (note 4)	-	-	-	9	9
Balance at 1 February 2020 – restated	646	26,017	-	(1,163)	25,500
Profit after income tax expense for the year	-	-	-	2,425	2,425
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	2,425	2,425
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 21)	127	-	-	-	127
Share premium, net of transaction costs (note 22)	-	5,020	-	-	5,020
Share-based payments (note 23)	-	-	75	-	75
Balance at 31 January 2021	773	31,037	75	1,262	33,147

Consolidated	Share capital £'000	Share premium account £'000	Share–based payment reserve £'000	Retained profits £'000	Total equity £'000
Balance at 1 February 2021	773	31,037	75	1,262	33,147
Profit after income tax expense for the year	-	-	-	3,077	3,077
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	3,077	3,077
Transactions with owners in their capacity as owners:					
Share-based payments (note 23)	-	-	191	-	191
Balance at 31 January 2022	773	31,037	266	4,339	36,415

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the year ended 31 January 2022

Cash flows from operating activities	Note	2022 £'000	Restated 2021 £'000
Profit before income tax expense for the year		4,022	2,671
Adjustments for:			
Depreciation and amortisation		2,922	2,673
Share-based payments		191	75
Net movement in provisions		12	18
Interest received		(14)	(24)
Interest and other finance costs		394	398
		7,527	5,811
Change in operating assets and liabilities:			
Decrease/(increase) in trade and other receivables		81	(114)
(Increase)/decrease in inventories		(3,792)	972
(Increase)/decrease in prepayments		(300)	229
Increase in trade and other payables		1,626	407
		5,142	7,305
Interest received		14	24
Interest and other finance costs		(393)	(388)
Net cash from operating activities		4,763	6,941
Cash flows from investing activities			
Payments for property, plant and equipment	13	(1,202)	(1,382)
Payments for intangibles	12	(327)	(338)
Payment of contingent consideration		-	(48)
Proceeds from disposal of property, plant and equipment		5	-
Net cash (used in) investing activities		(1,524)	(1,768)
Cash flows from financing activities			
Proceeds from issue of shares and premium		-	5,147
Repayment of lease liabilities	32	(1,631)	(1,302)
Net cash (used in)/from financing activities		(1,631)	3,845
Net increase in cash and cash equivalents		1,608	9,018
Cash and cash equivalents at the beginning of the financial year		14,996	5,978
Cash and cash equivalents at the end of the financial year		16,604	14,996

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

31 January 2022

NOTE 1. GENERAL INFORMATION

The financial statements cover Angling Direct PLC as a Group consisting of Angling Direct PLC ('Company' or 'parent entity') and the entities it controlled at the end of, or during, the year (collectively referred to in these financial statements as the 'Group'). The financial statements are presented in British Pound Sterling ('GBP'), which is Angling Direct PLC's functional and presentation currency.

Angling Direct PLC is a listed public company incorporated under the Companies Act 2006, listed on the AIM (Alternative Investment Market), a sub-market of the London Stock Exchange. The Company is incorporated and domiciled in the United Kingdom. The registered number of the Company is 05151321. Its registered office and principal place of business is:

2d Wendover Road,
Rackheath Industrial Estate
Rackheath
Norwich
Norfolk
NR13 6LH

The principal activity of the Group is the sale of fishing tackle through its websites and stores. The Group's business model is designed to generate growth by providing excellent customer service, expert advice and ensuring product lines include a complete range of equipment. Customers range from the casual hobbyist through to the professional angler.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 16 May 2022. The Directors have the power to amend and reissue the financial statements.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board ('IASB') that are mandatory for the current reporting period with the following standards and amendments applied for the annual reporting period commencing 1 February 2021:

Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS9, IAS39, IFRS7, IFRS4 and IFRS16)

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Conceptual Framework for Financial Reporting (Conceptual Framework)

The Group has early adopted the revised Conceptual Framework from 1 February 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the Group's financial statements.

Software-as-a-Service ('SaaS') arrangements

The IFRS Interpretations Committee (IFRIC) has issued two agenda decisions related to accounting SaaS arrangements:

- In March 2019, the IFRIC considered the accounting for SaaS arrangements ('the first agenda decision') and concluded that for many such arrangements the substance is that the entity has contracted to receive services rather than the acquisition (or lease) of software assets. This is because, in a cloud-based environment, the SaaS contract generally only gives the customer the right to receive access to the cloud provider's application software, rather than a license over the IP i.e. control over the software code itself.
- In April 2021, the IFRIC specifically considered how an entity should account for configuration and customisation costs incurred in implementing these (SaaS) service arrangements. The IFRIC concluded ('the second agenda decision') that these costs should be expensed, unless the criteria for recognising a separate asset are met.

Based on the above, the Group completed detailed assessments of its software assets and determined there was no impact on the Group from the first and second agenda decisions. Therefore, no historical financial information is needed to be restated to account for the impact of the change in the above accounting policy.

Basis of preparation

These financial statements have been prepared in accordance with UK adopted international accounting standards.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires Management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Restatement of comparatives

Following a review of the Company's 2021 Annual report by the Directors the statement of financial position for 2021 and 2020 has been restated to reflect the contracted lease expiry dates for three of the land and buildings right of use assets.

The impact of this restatement was to reduce 2021 right of use assets by £903,000 and reduce lease liabilities by £942,000. The impacted of this restatement increased the 2021 profit after income tax by £20,000.

The impact of this restatement was to reduce 2020 right of use assets by £892,000 and reduce lease liabilities by £906,000. The impacted of this restatement increased the 2020 profit after income tax by £9,000.

For each financial statement line item affected see note 4.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Angling Direct PLC as at 31 January 2022 and the results of all subsidiaries for the year then ended.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Pound sterling, which is Angling Direct PLC's functional and presentation currency.

The assets and liabilities of foreign operations are translated to the Group's presentational currency, Sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Exchange differences arising from this translation of foreign operations are reported as an item of other comprehensive income and accumulated in the translation reserve.

Foreign currency transactions

Foreign currency transactions are translated into the Company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods promised.

Revenue from the sale of goods and carriage income are recognised when the customer receives the goods ordered at which point title and risk passes to third parties and revenue can be reliably measured.

Sale of goods

The Group's revenue mainly comprises the sale of fishing equipment in store and online ('E-commerce'). Revenue is recognised at the point in time when the customer obtains control of the goods. Customers obtain control of the goods when they are delivered to and have been accepted at their premises or have taken possession in store. When the customer initially purchases the goods online the transaction price received by the Group is recognised as a contract liability until the goods have been delivered to the customer.

It is the Group's policy to sell its products to the customer with a right of return within 30 days. Accumulated experience is used to estimate and provide for such returns, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they are received.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at the transaction price and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 45 days.

The Group has applied the simplified approach to measuring expected credit losses on trade receivables, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are initially recognised at fair value and subsequently remeasured at amortised cost, less any allowance for expected credit losses.

Inventories

Finished goods are stated at the lower of cost and net realisable value on a 'weighted average cost' basis. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business.

Derivative financial instruments and hedging activities

The Group holds derivative financial instruments to hedge its foreign currency risk exposures.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Where derivatives do not qualify for hedge accounting, any gains or losses on remeasurement are immediately recognised in the statement of profit and loss.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probably forecast transactions arising from changes in foreign exchange rates and certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk.

Derivatives are classified as a non-current asset or liability when the remaining maturity of the item is more than twelve months and as a current asset or liability when the remaining maturity of the item is less than twelve months.

Cash flow hedges

Cash flow hedges are used to cover the Group's exposure to variability in cash flows that is attributable to particular risks associated with a recognised asset or liability or a firm commitment which could affect profit or loss. The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income through the cash flow hedges reserve in equity, whilst the ineffective portion is recognised in profit or loss. Amounts taken to equity are transferred out of equity and included in the measurement of the hedged transaction when the forecast transaction occurs.

Cash flow hedges are tested for effectiveness on a regular basis both retrospectively and prospectively to ensure that each hedge is highly effective and continues to be designated as a cash flow hedge. If the forecast transaction is no longer expected to occur, the amounts recognised in equity are transferred to profit or loss.

If the hedging instrument is sold, terminated, expires, exercised without replacement or rollover, or if the hedge becomes ineffective and is no longer a designated hedge, the amounts previously recognised in equity remain in equity until the forecast transaction occurs.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings improvements	10% on reducing balance
Plant and equipment	10% on cost
Motor vehicles	10% on cost
Computer equipment	20% on cost

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life between 3 to 5 years.

In certain circumstances, some assets are in use, but are not performing as intended by Management. Development costs that relate to the enhancement or modification of existing assets are capitalised until the asset is performing as intended by Management. Management assesses the capitalisation of these costs by consulting the guidance outlined in IAS 38, and exercises judgement in determining the qualifying costs. When unsure if the enhancement or modification costs relate to the development of the asset or to its maintenance, Management treats the costs as if incurred in the research phase only in line with the guidance in IAS 38.

Software-as-a-Service ('SaaS') arrangements are service contracts providing the Group with the right to access a cloud provider's application software over a period of time. Under the IFRIC treatment, SaaS costs are only recognised as intangible assets if the implementation activities create an intangible asset that the entity controls and the intangible asset meets the recognition criteria. Costs that do not result in intangible assets are expensed as incurred, unless they are paid to the suppliers of the SaaS arrangement to significantly customise the cloud-based software for the Group, in which case the costs are recorded as a prepayment for services and amortised over the expected renewable term of the arrangement.

Impairment of non-financial assets

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. The pre-tax discount rate is an estimation of the group's cost of capital, inclusive of its ROU lease obligations. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 45 days of recognition.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise of the fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); and
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the "Property, plant and equipment" policy.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Restoration provision

A provision has been made for the present value of anticipated costs for future restoration of leased premises which is reviewed at each reporting date. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Employee benefits

The Group operates a defined contribution pension scheme. Contributions payable to the Group's pension scheme are charged to the Statement of profit or loss and other comprehensive income.

Share-based payments

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the Group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Angling Direct PLC, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Value-Added Tax ('VAT') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated VAT, unless the VAT incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of VAT receivable or payable. The net amount of VAT recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The VAT components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of VAT recoverable from, or payable to, the tax authority.

Rounding of amounts

Amounts in this report have been rounded off to the nearest thousand pounds, or in certain cases, the nearest pound.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Accounting Standards that have recently been issued or amended but are not yet mandatory, with the exception of the Conceptual Framework for Financial Reporting, have not been early adopted by the Group for the annual reporting period ended 31 January 2022. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations, but they are not expected to have a significant impact on the Group's financial statements, but remain under review.

NOTE 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

In preparing these consolidated financial statements, Management is required to make judgements, estimates and assumptions concerning the future that affect the application of accounting policies and carrying amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are reviewed on an ongoing basis.

Actual results could differ from these estimates and any subsequent changes are accounted for with an effect on income at the time such updated information becomes available. Judgements cover situations where Management has had to exercise judgement in situations where a different judgement might have led to a different accounting treatment.

The judgements that have the most significant effect on the amounts recognised in the consolidated financial statements and the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities are discussed below.

Critical accounting judgements:

Critical judgements, apart from those involving estimations, that are applied in the preparation of the consolidated financial statements are discussed below:

Going concern including liquidity

The Group has considerable financial resources together with long-standing relationships with a number of key suppliers and an established reputation in the retail sector across the UK and Europe.

The Directors have considered the Group's growth prospects in the period to 31 January 2024 based on its customer proposition and online offering in the UK and Europe and concluded that potential growth rates remain strong. The Group has conducted various stress tests, none of which resulted in a change to the assessment of the Group as a going concern.

In making this judgement, as set out on page 58 of the Directors' report, the Directors have reviewed the future viability and going concern position of the Group for the foreseeable future. Generally, the Group's business activities and the factors likely to affect its future development, performance and position are set out in the strategic report on page 19. The financial position of the Group and its cash flows are described in the "Chief Financial Officer's statement" on page 26. In addition, the Group's policies and processes with respect to risk management can been seen in the "Principal risks and uncertainties" section on page 35 and the "Risk management and internal controls" in the corporate governance section on page 49.

The Group's policy is to ensure that it has sufficient facilities to cover its future funding requirements. At 31 January 2022, the Group had cash and cash equivalents of £16.6m (FY21: £15.0m). This significant headroom has been factored into the Directors' going concern assessment.

Having duly considered all of these factors and having reviewed the forecasts for the coming year, the Directors have a reasonable expectation that the Group has adequate resources to continue trading for the foreseeable future, and as such continue to adopt the going concern basis of accounting in preparing the financial statements.

Operating segment

The Group's Chief Operating Decision Maker ('CODM') has been identified as the Board of Directors. Management has made a judgement that the Group is considered to be two operating segments in line with the way the Group is managed and assessed by the CODM. The Group has two operating segments: Stores and Online. Further details of the Group's operating segments are provided in note 4 to the financial statements.

Impairment of goodwill – assessed on one cash generating unit

Upon assessing impairment of goodwill judgement is involved in determining the cash generating unit ('CGU') for allocation of the goodwill. Goodwill is allocated and tested for impairment considering the total Group as one CGU. This is because the Group is the level at which Management monitors goodwill.

Leases – discount rate

Under IFRS 16, the Group recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The lease liability is initially measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate. Management has made a judgement to use a portfolio approach when estimating an incremental borrowing rate.

The incremental borrowing rate is determined on a portfolio basis, the most significant portfolio being the leases of the retail stores. Judgement has been used to determine that a portfolio basis is appropriate considering the similar risk profile of the stores across the various locations in the UK. As the Group has not had any significant borrowings in recent years, judgement was also applied to determine the incremental borrowing rate to be used. A rate of 4% has been determined which is based on external benchmarking and consideration of the Groups historical and anticipated borrowings. If the incremental borrowing rate was to be increased to 5% the lease liability would increase by £0.4m as at 31 January 2022.

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Refer to note 14 for additional disclosures relating to leases held by the Group.

Key sources of estimation uncertainty:

The key assumptions about the future, and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are detailed below.

Lease term

Management exercises judgement in determining the likelihood of exercising break or extension options in determining the lease term.

When determining the lease term in accordance with IFRS 16 paragraphs 18–21, Management has applied the following policy for all leases:

a. For properties in contract, the lease term has been determined as to the end of the contractual lease term.

b. For properties out of contract and therefore occupied on a rolling basis, the Group treats these as short-term leases. The Group has 2 properties out of contract at the balance sheet date.

c. For properties where the contractual lease term is ending within 24 months, the Group determines the likelihood of the extension of the lease and remeasures the lease in accordance with IFRS 16. The Group had one such lease at the balance sheet date. Based on the current status of negotiations the extension has not been reflected in the financial statements.

Refer to note 14 for additional disclosures relating to leases held by the Group.

Impairment of goodwill

Determining whether goodwill and other intangibles are impaired requires an estimation of the value in use of the CGU to which goodwill and other intangible assets have been allocated. The value in use calculation requires estimation of future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value.

The goodwill is tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount is less than its carrying value in accordance with the accounting policy stated in note 2.

Goodwill acquired through business combinations has been allocated to the Group as a whole as a CGU. Judgement is required as to whether E-commerce sales (and associated costs) could be attributable to stores for the purposes of impairment testing when calculating the value in use of acquired goodwill. Whilst Management believes that a proportion of E-commerce sales could be attributed to stores, the basis of attribution was difficult to determine due to the interdependency of E-commerce and in-store sales and insufficient evidence to reliably estimate this. For this reason, the CGU for goodwill is deemed to be the cashflows of the entire Angling Direct Group. The recoverable amount is based on a value-in-use calculation using the discounted cash flow method. The value-in-use calculation is made using pre-tax budgeted EBITDA projections based on the Group's internal forecasts for one year, extrapolated to five years.

Further detail on the key assumptions used in the value-in-use calculation and sensitivity analysis is included in note 12.

Impairment of property, plant and equipment and right-of-use assets

As part of the Group's continuous review of the performance of their property, plant and equipment and right-of-use assets, Management identifies if any indicators of impairment are present by reviewing budgeted performance of the online business and by store. Where there are indicators of impairment, Management performs an impairment test. The Group treats each store as a separate CGU for impairment testing of property, plant and equipment and right-of-use assets. Recoverable amounts for CGUs are the higher of fair value less cost of disposal, and value-in-use. Value-in-use is calculated using the discounted cash flow method based on internal EBITDA projections and estimated long-term growth rates to the end of the estimated lease term (refer to lease term estimate above). This discount rate used in this calculation was the Group's Weighted Average Cost of Capital ('WACC') of 10.4%. Fair value is determined with the assistance of independent professional valuers where appropriate.

The key estimates and sensitivities are disclosed further in note 14.

Inventory provisions

Two types of inventory provisions have been considered to determine whether they contain significant estimation; an inventory existence and completeness provision ("shrink provision") and an inventory valuation provision ("obsolescence provision").

Upon review, Management has determined that the estimates of inventory obsolescence do not involve assumptions or uncertainties about the future that have a significant risk of resulting in a material adjustment to the carrying amount of inventory within the next year. There are two key reasons for this:

- the flexibility and transparency that the Group's ERP, Epicor, provides enables us to evaluate, at an inventory line level, holding, ageing and valuation of inventory. Management regularly reviews the net realisable value of inventory held; and
- a key control as part of Epicor and the review is that prices, which are set centrally, are not set below cost in the system.

Management undertook a review of all stock lines within the business and aligned to its strategic objective of implementing for the first time category management within its ranging and purchasing decision making identified a number of stock lines it was highly probably the Group would exit from in FY22. Due to the continued supply chain challenges during FY22, the execution of the range review has been deferred until Q1 of FY23. A provision of £0.3m (FY21 £0.3m) has been held in respect of such stock lines. The provision value is based upon contemporary selling prices having tested a cohort of these identified stock lines over the FY21 festive period.

In terms of inventory existence and completeness, a shrink provision is recorded, £61,000 as at 31 January 2022 (2021: £16,000) which includes estimates of the level of inventory that may not exist as at the reporting date due to theft, damage, loss or booking in errors. The Group operates a continuous rolling inventory count system where all inventory is counted twice a year, the provision recorded is in relation to the inventory that has not been physically counted at the reporting date. Warehouse and store managers also have regular internal audits on the accuracy of these checks. Historical information based on the results of these checks has been used to estimate an average inventory shrinkage cost to inventory holding value that is applied as at the reporting date to determine an appropriate provision to be held that captures the risk of inventory existence being overstated or inventory not being complete. Although the provision itself is not considered material as at the 31 January 2022, estimation uncertainty is considered significant due to the levels of inventory held by the Group throughout the period, and recent changes to inventory management processes. As a result the estimates in this provision are reviewed by Management on a regular basis.

Useful lives of depreciable assets

Estimates have been made in respect of useful economic lives of property, plant and equipment and intangibles, which determine the amount of depreciation and amortisation charged in profit or loss. Uncertainties in these estimates relate to the technological obsolescence that may change the utility of software, plant and machinery and computer equipment and could result in a material change to the amount of depreciation and amortisation recognised. These estimates are reviewed annually at the reporting date based on the expected utility of the assets.

The depreciation policy for computer equipment has been amended to 20% on cost following a review of useful economic lives of assets. Previously depreciation was calculated at 33% on cost for this class of asset.

Further detail on useful life estimates is included in the accounting policy note 2.

Restoration Provision

A restoration provision is recognised where there is future obligation relating to the maintenance of leasehold properties. The provision is based on management's best estimate of the obligation which forms part of the Group's unavoidable cost of meeting its obligations under lease contracts. Key uncertainties are the estimates of amounts due.

NOTE 4. RESTATEMENT OF COMPARATIVES

Restatement of Right of use asset lease expiry dates.

The Group has restated three right of use asset land and building lease expiry dates. The restatement to comparatives of the statement of profit or loss and other comprehensive income for the year ended 31 January 2021 and the statement of financial position as at 31 January 2021 and as 1 February 2020 is as follows:

- Reduction in lease liabilities of £942,000 (current £nil and non-current £942,000) (discounted based on the weighted average incremental borrowing rate of 4%) as at 31 January 2021 (1 February 2020: £906,000; current £nil and non-current £906,000);
- Right-of-use assets of £903,000 were reduced as at 31 January 2021 (1 February 2020: £892,000);
- Additional depreciation of £11,000 was recognised against the right-of-use assets as at 31 January 2021 (1 February 2020: £5,000);
- A reduction in interest payments of £36,000 was recognised against the lease liabilities as at 31 January 2021 (1 February 2020 £14,000);
- Restoration provision was increased by £5,000 as at 31 January 2021 (1 February 2020: £5,000);
- Deferred tax liability increased by £5,000 as at 31 January 2021 (as a result of the net tax effect on right-of-use assets and lease liabilities) (1 February 2020: £nil);
- The overall impact on total equity as at 31 January 2021 was an increase of £29,000. This comprises an increase of £20,000 in the year 31 January 2021 and £9,000 in the period to 31 January 2020.

Statement of profit or loss and other comprehensive income

Extract	2021 £'000 Reported	£'000 Adjustment	Consolidated Restated 2021 £'000 Restated
Expenses			
Administrative expenses	(18,183)	(11)	(18,194)
Finance costs	(434)	36	(398)
Profit before income tax expense	2,646	25	2,671
Income tax expense	(241)	(5)	(246)
Profit after income tax expense for the year attributable to the owners of Angling Direct PLC	2,405	20	2,425
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year attributable to the owners of Angling Direct PLC	2,405	20	2,425

	Reported	Adjustment	Restated
Basic earnings per share	3.33	0.03	3.36
Diluted earnings per share	3.28	0.03	3.31

Statement of financial position at the beginning of the earliest comparative period

Extract	Consolidated 01-Feb-20 £'000 Reported	£'000 Adjustment	01-Feb-20 £'000 Restated
Non-current assets			
Right-of-use assets	10,480	(892)	9,588
Total non-current assets	22,289	(892)	21,397
Current assets			
Total current assets	20,414	-	20,414
Current liabilities			
Total current liabilities	7,629	-	7,629
Net current assets	12,785	-	12,785
Total assets less current liabilities	35,074	(892)	34,182
Non-current liabilities			
Lease liabilities	9,334	(906)	8,428
Restoration provision	249	5	254
Total non-current liabilities	9,583	(901)	8,682
Net assets	25,491	9	25,500
Equity			
Retained accumulated losses	(1,172)	9	(1,163)
Total equity	25,491	9	25,500

Statement of financial position at the end of the earliest comparative period

Extract	Consolidated 2021 £'000 Reported	£'000 Adjustment	2021 £'000 Restated
Non-current assets			
Right-of-use assets	10,910	(903)	10,007
Total non-current assets	23,180	(903)	22,277
Current assets			
Total current assets	28,345	-	28,345
Current liabilities			
Total current liabilities	8,099	-	8,099
Net current assets	20,246	-	20,246
Total assets less current liabilities	43,426	(903)	42,523
Non-current liabilities			
Lease liabilities	9,773	(942)	8,831
Restoration provision	277	5	282
Deferred tax	258	5	263
Total non-current liabilities	10,308	(932)	9,376
Net assets	33,118	29	33,147
Equity			
Retained profits	1,233	29	1,262
Total equity	33,118	29	33,147

NOTE 5. SEGMENTAL REPORTING

Segmental information is presented in respect of the Group's operating segments, based on the Group's management and internal reporting structure, and monitored by the Group's Chief Operating Decision Maker (CODM).

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly own brand stock in transit from the manufacturers, Group cash and cash equivalents, taxation related assets and liabilities, centralised support functions salary and premises costs, and government grant income.

Geographical segments

The business operated predominantly in the UK. As at 31 January 2022, it has three native language web sites for Germany, France and the Netherlands. In accordance with IFRS 8 'Operating segments' no segmental results are presented for trade with European customers as these are not reported separately for management purposes and are not considered material for separate disclosure, save for disaggregation of revenue in note 6. Trading through the subsidiary in the Netherlands commenced on 1 March 2022.

Operating segments

The Group is split into two operating segments (Stores and Online) and a centralised support function (Head Office) for business segment analysis. In identifying these operating segments, Management follows the route to market for the generation of the customer order for its products. Due to the growth in the Group's online sales, Management has made a judgement that there are now two operating segments. In the comparative period, Management considered there to be only one segment, therefore comparative information is not available to be restated and the cost to obtain it is excessive.

Each of these operating segments is managed separately as each segment requires different specialisms, marketing approaches and resources. Head Office includes costs relating to the employees, property and other overhead costs associated with the centralised support functions.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation) pre IFRS 16. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements, save for IFRS 16. A full reconciliation of pre IFRS 16 EBITDA to post IFRS 16 EBITDA performance is provided to the CODM.

The information reported to the CODM is on a monthly basis.

There are no major customers that contribute more than 10% of the Group's revenue.

	Stores £'000	Online £'000	Head office £'000	Total £'000
Revenue	38,665	33,809	-	72,474
Profit/(loss) before income tax	4,816	3,940	(4,734)	4,022
EBITDA post IFRS 16	7,141	4,510	(4,318)	7,333
Total assets	25,983	8,724	23,369	58,076
Total liabilities	(13,262)	(4,095)	(4,304)	(21,661)
EBITDA Reconciliation				
Profit/(loss) before income tax	4,816	3,940	(4,734)	4,022
Less: Interest income	-	-	(14)	(14)
Add: Interest expense	330	49	27	406
Add: Depreciation and amortisation	1,998	521	403	2,922
EBITDA post IFRS 16	7,144	4,510	(4,318)	7,336
Less: Costs relating to IFRS 16 lease liabilities	(1,813)	(182)	(140)	(2,135)
EBITDA pre IFRS 16	5,331	4,328	(4,458)	5,201

NOTE 6. REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	2022 £'000	2021 £'000
Route to market		
Retail store sales	38,665	32,259
E-commerce	33,809	35,322
	72,474	67,581
Geographical regions		
United Kingdom	69,818	63,206
Germany, France and Netherlands	2,242	2,868
Other countries	414	1,507
	72,474	67,581
Timing of revenue recognition		
Goods transferred at a point in time	72,474	67,581

NOTE 7. OTHER INCOME

	2022 £'000	2021 £'000
Net foreign exchange (loss)/gain	(18)	13
Government grants	932	1,527
Other income	914	1,540

As a result of the economic impacts of the COVID-19 pandemic, a number of government programmes have been put into place to support businesses and consumers. Examples of such initiatives include the UK's Coronavirus Job Retention Scheme. In accounting for the impacts of these measures, the Group has applied IAS 20: 'Government Grants'. Refer to note 2 for the relevant accounting policy.

During the year to 31 January 2022, the Group recognised an amount totalling £216,000 (2021: £917,000) receivable under the UK Government's Coronavirus Job Retention Scheme, an amount totalling £716,000 (2021:£nil) receivable under UK Governments Restart Grants and an amount totalling £nil (2021: £610,000) receivable under the UK Government's Retail Hospitality and Leisure Grant Fund.

NOTE 8. EBITDA RECONCILIATION (EARNINGS BEFORE INTEREST, TAXATION, DEPRECIATION AND AMORTISATION)

The Directors believe that adjusted profit provides additional useful information for shareholders on performance. This is used for internal performance analysis. This measure is not defined by IFRS and is not intended to be a substitute for, or superior to, IFRS measurements of profit. The following table is provided to show the comparative earnings before interest, tax, depreciation and amortisation ("EBITDA") after adjusting for costs relating to IFRS 16 lease liabilities.

	2022 £'000	Restated 2021 £'000
EBITDA reconciliation		
Profit before income tax expense post IFRS 16	4,022	2,671
Less: Interest income	(14)	(24)
Add: Interest expense	406	398
Add: Depreciation and amortisation	2,922	2,673
EBITDA post IFRS 16	7,336	5,718
Less: costs relating to IFRS 16 lease liabilities	(2,135)	(1,737)
EBITDA pre IFRS 16	5,201	3,981

NOTE 9 EXPENSES

	2022 £'000	Restated 2021 £'000
Profit/(loss) before income tax includes the following specific expenses:		
Cost of sales		
Cost of inventories as included in 'cost of sales'	45,864	44,458
Depreciation		
Land and buildings improvements	16	18
Plant and equipment	643	674
Motor vehicles	2	3
Computer equipment	282	213
Land and buildings right-of-use assets	1,454	1,320
Plant and equipment right-of-use assets	56	57
Motor vehicles right-of-use assets	61	80
Computer equipment right-of-use assets	6	5
Total depreciation	2,520	2,370
Amortisation		
Software	402	303
Total depreciation and amortisation *	2,922	2,673
Finance costs		
Interest and finance charges paid/payable on lease liabilities	393	388
Interest and finance charges on restoration provision	12	10
Forward foreign currency hedges	1	-
Finance costs expensed	406	398
Leases		
Short-term lease payments	51	25
Low-value assets lease payments	16	15
	67	40

* Depreciation and amortisation expense is included within "administrative expenses" in the Statement of profit or loss and other comprehensive income.

NOTE 10. STAFF COSTS

	2022	2021
Aggregate remuneration:		
Wages and salaries	9,591	9,140
Social security costs	815	772
Other pension costs	347	234
Total staff costs	10,753	10,146

The average number of employees during the year was as follows:

	2022	2021
Stores	272	264
Warehouse	45	50
Administration	41	45
Marketing & online content	27	21
IT and web	12	13
Management	9	9
Other	4	5
Average number of employees	410	407

Staff costs above include Directors' salaries, social security costs and other pension costs. Directors' remuneration is detailed in the Remuneration report which forms part of these financial statements.

NOTE 11. INCOME TAX EXPENSE

	2022 £'000	Restated 2021 £'000
Income tax expense		
Current tax	464	-
Deferred tax - origination and reversal of temporary differences (note 20)	305	263
Deferred tax – rate change	179	-
Current tax adjustment recognised for prior periods	-	(17)
Deferred tax adjustment recognised for prior periods	(3)	-
Aggregate income tax expense	945	246
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	4,022	2,671
Tax at the statutory tax rate of 19%	763	508
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non qualifying depreciation	7	-
Super deduction capital allowances	(54)	-
EMI share scheme exercised	-	(161)
Non-deductible expenses	53	12
Deferred tax rate impact	179	(5)
Recognition of previously unrecognised tax losses	-	(41)
	948	313
Adjustment recognised for prior periods	(3)	(17)
Unrecognised losses prior year	-	(50)
Income tax expense	945	246

NOTE 12. INTANGIBLES

	2022 £'000	2021 £'000
Non-current assets		
Goodwill – at cost	5,802	5,802
Less: Impairment	(182)	(182)
	5,620	5,620
Software – at cost	1,431	1,104
Less: Accumulated amortisation	(875)	(473)
	556	631
	6,176	6,251

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Goodwill £'000	Software £'000	Total £'000
Consolidated			
Balance at 1 February 2020	5,620	596	6,216
Additions	-	338	338
Amortisation expense	-	(303)	(303)
Balance at 31 January 2021	5,620	631	6,251
Additions	-	327	327
Amortisation expense	-	(402)	(402)
Balance at 31 January 2022	5,620	556	6,176

Impairment testing
Impairment testing

Goodwill is allocated to the Group's cash-generating unit ('CGU').

The Directors consider Angling Direct PLC to represent a singular cash-generating unit as the cashflows of the assets of goodwill are not independent of other cashflows of the Group.

The recoverable amount of the CGU was determined based on a value-in-use calculation. Cash flow projections used in the value-in-use calculation were based on financial budgets approved by Management covering a one year period with extrapolation to year five using estimated growth rates stated below. Cash flows beyond five years are based on an estimated long term average growth rate of 1%.

Management determined budgeted gross margins based on expectations of market developments. The growth rates used were based on consumer price index ('CPI') plus a margin. The discount rates used were pre-tax and reflected specific risks relating to the CGUs.

Key assumptions used for value-in -use calculations:

	2022 %	2021 %
Gross margin	36.6%	35.3%
Five year compound revenue growth rate	9.3%	9.6%
Pre-tax discount rate	10.4%	10.7%

Based on the assessment, no impairment charge is required. Management has performed a number of sensitivity tests on the above rates and note that there are no impairment indicators arising from this analysis. The recoverable amount exceeded the carrying amount by £55,002,000.

Sensitivity
As disclosed in note 3, the Directors have made judgements and estimates in respect of testing of goodwill. Should these judgements and estimates not occur the resulting goodwill carrying amount may decrease. Sensitivity analysis has been performed on the value-in-use calculations. Holding all other variables constant, the following represents the effect of reasonably possible changes in key assumptions.

i. the application of a 1.0% increase in discount rate from 10.4% to 11.4% would not result in impairment.

ii. reducing the five year revenue compound growth rate by 100 bps would not result in impairment.

iii. reducing the five year revenue compound growth rate by 260 bps would result in impairment.

NOTE 13. PROPERTY, PLANT AND EQUIPMENT

	2022 £'000	2021 £'000
Non-current assets		
Land and buildings improvements – at cost	1,002	1,002
Less: Accumulated depreciation	(303)	(287)
	699	715
Plant and equipment – at cost	7,640	6,411
Less: Accumulated depreciation	(1,974)	(1,685)
	5,666	4,726
Motor vehicles – at cost	15	15
Less: Accumulated depreciation	(10)	(8)
	5	7
Computer equipment - at cost	1,118	1,271
Less: Accumulated depreciation	(580)	(700)
	538	571
	6,908	6,019

During the year, computer equipment costing £532,000 was disposed of. This equipment was fully depreciated down to £nil.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Land and buildings £'000	Plant and equipment £'000	Motor vehicles £'000	Computer equipment £'000	Total £'000
Consolidated					
Balance at 1 February 2020	733	4,274	10	576	5,593
Additions	-	1,126	-	208	1,334
Depreciation expense	(18)	(674)	(3)	(213)	(908)
Balance at 31 January 2021	715	4,726	7	571	6,019
Additions	-	1,588	-	249	1,837
Disposals	-	(5)	-	-	(5)
Depreciation expense	(16)	(643)	(2)	(282)	(943)
Balance at 31 January 2022	699	5,666	5	538	6,908

Refer note 14 for impairment testing.

NOTE 14. RIGHT-OF-USE ASSETS

	2022 £'000	Restated 2021 £'000
Non-current assets		
Land and buildings – long leasehold - right-of-use	16,979	14,116
Less: Accumulated depreciation	(6,080)	(4,626)
	10,899	9,490
Plant and equipment - right-of-use	80	575
Less: Accumulated depreciation	(49)	(166)
	31	409
Motor vehicles - right-of-use	326	269
Less: Accumulated depreciation	(248)	(187)
	78	82
Computer equipment - right-of-use	59	59
Less: Accumulated depreciation	(39)	(33)
	20	26
	11,028	10,007

The Group leases land and buildings for its offices, warehouses and retail outlets under agreements of between two to fifteen years with, in some cases, options to extend. Until the last 24 months the Group considers that circumstances are not reasonably certain that options to extend will be exercised and therefore have not included the options. For properties where the contractual lease term is ending within 24 months, the Group determines the likelihood of the extension of the lease and remeasures the lease in accordance with IFRS 16. The Group has one such lease at the balance sheet date. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated. The Group also leases motor vehicles under agreements of three years, plant equipment under of five years and computer equipment under agreements of four years.

The Group leases office equipment under agreements of less than two years. These leases are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

For other lease related disclosures refer to the following:

- Refer note 9 for details on interest on lease liabilities and other lease payments;
- Refer note 18 for lease liabilities at 31 January 2022; and
- Refer to statement of cash flows and note 25 for repayment of lease liabilities.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Land and buildings £'000	Plant and equipment £'000	Motor vehicles £'000	Computer equipment £'000	Total £'000
Balance at 1 February 2020 - restated	8,952	466	139	31	9,588
Additions	1,214	-	23	-	1,237
Remeasurement	644	-	-	-	644
Depreciation expense	(1,320)	(57)	(80)	(5)	(1,462)
Balance at 31 January 2021 - restated	9,490	409	82	26	10,007
Additions	2,519	-	57	-	2,576
Disposals	-	(322)	-	-	(322)
Remeasurement	344	-	-	-	344
Depreciation expense	(1,454)	(56)	(61)	(6)	(1,577)
Balance at 31 January 2022	10,899	31	78	20	11,028

Impairment testing

Property, plant and equipment and right-of-use assets ('ROU') are allocated to each individual cash-generating unit, for which the Directors consider to be each individual store.

Each CGU is reviewed for indicators of impairment through current and budgeted trading performance. Where indicators of impairment existed a recoverable amount of the CGU was determined based on a value in use calculation. Cash flow projections used in the value in use calculation were based on financial budgets approved by Management covering a one year period extrapolated to year 5 or the end of the lease to which the ROU related.

Cash flows to evaluate value in use included the lease rentals in respect of the associated ROU assets and the recoverable amount was reviewed against the carrying value of the property, plant and equipment and net book value of the ROU asset net of the remaining lease liability.

Two stores were identified with impairment indicators as at 31 January 2022 (2021: two).

Key assumptions used in the value-in-use calculations:

	2022 %	2021 %
Compound revenue growth rate	9.00%	8.90%
Pre-tax discount rate	10.40%	10.70%

Based on the assessment, no impairment charge is required. Management has performed a number of sensitivity tests on the above rates and note there are no impairment indicators arising from this analysis. The recoverable amounts exceeded the carrying amount by £14,000 for store A, and £45,000 for store B.

Sensitivity

As disclosed in note 3, the Directors have made judgments and estimates in respect of testing of property, plant and equipment and ROU. Should these judgements and estimates not occur the resulting property, plant and equipment and ROU may decrease. Sensitivity analysis has been performed on the value-in-use calculations. Holding all other variables constant, the following represents the effect of reasonably possible changes in key assumptions.

Store A:

i. the application of a 1.0% increase in discount rate from 10.4% to 11.4% would not result in impairment.

ii. reducing the compound revenue growth rate by 100bps would not result in impairment.

iii. reducing the compound revenue growth rate by 890bps would result in impairment.

Store B:

i. the application of a 1.0% increase in discount rate from 10.4% to 11.4% would not result in impairment.

ii. reducing the compound revenue growth rate by 100bps would not result in impairment.

iii. reducing the compound revenue growth rate by 320bps would result in impairment.

NOTE 15. INVENTORIES

	2022 £'000	2021 £'000
Current assets		
Finished goods – at cost	16,273	12,481

Finished goods include £0.3m (FY21: £0.3m) of provisions to remove certain product lines from the Group as part of a product ranging exercise. This write down to reflect net realisable value of these product lines was recognised as an expense during the year to 31 January 2021.

NOTE 16. TRADE AND OTHER RECEIVABLES

	2022 £'000	2021 £'000
Current assets		
Trade receivables	62	99
Other receivables	480	524
	542	623

NOTE 17. TRADE AND OTHER PAYABLES

	2022 £'000	2021 £'000
Current liabilities		
Trade payables	4,844	3,287
Accrued expenses	2,000	1,462
Refund liabilities	42	102
Social security and other taxes	711	537
Other payables	1,083	1,353
	8,680	6,741

Refer to note 25 for further information on financial instruments.

NOTE 18. LEASE LIABILITIES

	2022 £'000	Restated 2021 £'000
Current liabilities		
Lease liability	1,648	1,358
Non-current liabilities		
Lease liability	9,402	8,831
	11,050	10,189

Refer to note 25 for information on the maturity analysis of lease liabilities. Details of finance costs are included within note 9.

NOTE 19. RESTORATION PROVISION

	2022 £'000	Restated 2021 £'000
Non-current liabilities		
Restoration provision	722	282

Restoration

The provision represents the present value of the estimated costs for future restoration of the premises leased by the Group at the end of the respective lease terms. The provision therefore includes estimates associated with the timing of future closures of premises and the costs of restoration prior to return to the lessor. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at each reporting date. The discount rate applied to future cash outflows is 4%.

Management has conducted a review of the estimated costs for future restoration, prior to return to the lessor at the end of the lease, of the premises leased by the Group and has revised its estimate based on the results of the review.

Movements in provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

	Restoration provision £'000
Consolidated – 2022	
Carrying amount at the start of the year – restated	282
Additional provisions recognised	84
Revised estimated cost of future restoration	344
Unwinding of discount	12
Carrying amount at the end of the year	722

NOTE 20. DEFERRED TAX

	2022 £'000	Restated 2021 £'000
Non-current liabilities		
Deferred tax liability comprises temporary differences attributable to:		
Property, plant & equipment	898	561
IFRS 16 transitional adjustment	(82)	(71)
Unapproved share options issued	(67)	(14)
Tax losses	-	(213)
Short term timing differences	(5)	-
Deferred tax liability	744	263
Movements:		
Opening balance	263	-
Adjustment recognised for prior periods	(3)	-
Deferred tax – rate change	179	
Other temporary differences	305	263
Closing balance	744	263

NOTE 21. SHARE CAPITAL

	2022 Shares	2021 Shares	2022 £'000	2021 £'000
Ordinary shares of £0.01 each – fully paid	77,267,304	77,267,304	773	773

Movements in ordinary share capital

Details	Date	Shares	£'000
Balance	1 February 2020	64,621,993	646
Issue of shares	17 June 2020	6,500,000	65
Issue of shares	1 July 2020	4,500,000	45
Exercise of options	17 July 2020	1,645,311	17
Balance	31 January 2021	77,267,304	773
Balance	31 January 2022	77,267,304	773

During the prior year, the Company issued 11m new ordinary shares of 1p each. 6.5m of these shares were issued on 17 June 2020 with a further 4.5m on 1 July. The shares were fully paid up and issued at a placing price of 50p, a 49p premium per share. The gross proceeds of the total placing totalled £5.5m. £5.4m has been transferred to the share premium account net of direct transaction costs of £0.4m.

On 17 July 2020, 1,645,311 options under the EMI Share option Scheme were exercised at 1p per option. £16,453 has been credited to the share capital account. There was no share premium arising on this transaction.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and any proceeds attributable to shareholders should the Company be wound up, in proportions that consider both the number of shares held and the extent to which those shares are paid up.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment.

NOTE 22. SHARE PREMIUM

	2022 £'000	2021 £'000
Share premium account	31,037	31,037

Movements in share premium account

Detail	Date	£'000
Balance	1 February 2020	26,017
Issued during the year	17 June 2020	5,020
Balance	31 January 2021	31,037
Balance	31 January 2022	31,037

The share premium account is used to recognise the difference between the issued share capital at nominal value and the capital received, net of transaction costs.

NOTE 23. RESERVES

	2022 £'000	2021 £'000
Share-based payments reserve	266	75

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Share-based payments £'000
Balance at 1 February 2020	–
Options granted	75
Balance at 31 January 2021	75
Options granted	191
Balance at 31 January 2022	266

NOTE 24. DIVIDENDS

There were no dividends paid, recommended or declared during the current or previous financial year.

NOTE 25. FINANCIAL INSTRUMENTS

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group does use derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of foreign exchange and other price risks, and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits.

Market risk

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

In order to protect against exchange rate movements, the Group uses various means to cover its exposure including holding Euro and US dollar cash balances and taking out forward foreign exchange contracts for the purchase of US dollars.

The Group's risk management policy is to hedge 15% to 85% of its estimated foreign currency exposure in respect of forecast purchases over the following 6 months at any point in time. The Group uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

The maturity, settlement amounts and average contractual exchange rates of the Group's outstanding forward foreign exchange contracts at the reporting date were as follows

Buy US dollars	Sell Pound sterling 2022 £'000	Average exchange rates 2022
Maturity:		
0 - 3 months	387	1.3382
3 - 6 months	68	1.3342

The carrying amount of the Group's foreign currency denominated financial assets and liabilities, at amortised cost, at the reporting date were as follows:

Consolidated	Assets 2022 £'000	Assets 2021 £'000	Liabilities 2022 £'000	Liabilities 2021 £'000
US dollars	162	126	-	-
Euros	618	212	401	396
	780	338	401	396

Consolidated – 2022	strengthened % change	£'000 strengthened Effect on profit before tax	£'000 strengthened Effect on equity	weakened % change	£'000 weakened Effect on profit before tax	£'000 weakened Effect on equity
US dollars	10%	16	13	(10%)	(16)	(13)
Euros	10%	22	18	(10%)	(22)	(18)
		38	31		(38)	(31)

Consolidated – 2021	strengthened % change	£'000 strengthened Effect on profit before tax	£'000 strengthened Effect on equity	weakened % change	£'000 weakened Effect on profit before tax	£'000 weakened Effect on equity
US dollars	10%	13	11	(10%)	(13)	(11)
Euros	10%	(18)	(15)	(10%)	18	15
		(5)	(4)		5	4

Price risk

The Group is not exposed to any significant price risk.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk management

The credit risk is managed on a group basis based on the Group's credit risk management policies and procedures.

The credit risk in respect of cash balances held with banks and deposits with banks are managed via a diversification of bank deposits and are only with major reputable financial institutions.

The Group's cash balances were held with Standard and Poors "A" rated entities.

The Group faces low credit risk as customers typically pay for their orders in full on collection or shipment of the product. There are a small number of insurance accounts with insurance companies that have 45-day terms (0.04% of 2022 revenue – 2021: 0.3%).

Funds lodged with Paypal, Stripe, Klarna and Hitachi Retail Finance totalled £272,000 on 31 January 2022 (2021: £446,000) and are included in trade and other receivables. Credit risk in relation to cash held with financial institutions is considered low risk, given the credit rating of these organisations.

The Group has applied the simplified approach to measuring expected credit losses (ECL) on trade receivables, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. The Group has applied 12 months of credit losses to measure expected credit losses on other receivables and these are grouped based on days overdue. There is limited exposure to ECL due to the way the Group operates.

The Group will write off, either partially or in full, the gross carrying amount of a financial asset when there is no realistic prospect of recovery. This is usually the case when it is determined that the debtor does not have the assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, the Group may still choose to pursue enforcement in order to recover the amounts due.

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated – 2022		1 year or less £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000	Remaining contractual maturities £'000
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	4,844	-	-	-	4,844
Other liabilities	-	1,836	-	-	-	1,836
Interest-bearing – variable						
Lease liability	4.00%	2,085	2,062	5,281	4,556	13,984
Total non-derivatives		8,765	2,062	5,281	4,556	20,664
Derivatives						
Forward foreign exchange contracts to purchase foreign currency	-	1	-	-	-	1
Total derivatives		1	-	-	-	1

Consolidated – 2021		1 year or less £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000	Remaining contractual maturities £'000
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	3,287	-	-	-	3,287
Other liabilities	-	1,992	-	-	-	1,992
Interest-bearing – variable						
Lease liability (restated)	4.00%	1,754	1,728	4,308	3,988	11,778
Total non-derivatives		7,033	1,728	4,308	3,988	17,057

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Financial assets / (liabilities)

The carrying value of all financial assets and financial liabilities was materially equal to their fair value.

Assets	Note	2022 Financial assets measured at amortised cost £'000	Total £'000	2021 Financial assets measured at amortised cost £'000	Restated Total £'000
Trade & other receivables	16	542	542	623	623
Cash and cash equivalents		16,604	16,604	14,996	14,996
Total financial assets		17,146	17,146	15,619	15,619

Liabilities	Note	Financial liabilities at fair value through profit or loss £'000	Financial liabilities measured at amortised cost £'000	Total £'000	Financial liabilities at fair value through profit or loss £'000	Financial liabilities measured at amortised cost £'000	Restated Total £'000
Trade & other payables (excluding social security and other taxes)	17	-	(7,969)	(7,969)	-	(6,204)	(6,204)
Right of use liabilities	18	-	(11,050)	(11,050)	-	(10,189)	(10,189)
Derivative financial instruments	25,26	(1)	-	(1)	-	-	-
Total financial liabilities		(1)	(19,019)	(19,019)	0	(16,393)	(16,393)

NOTE 26. FAIR VALUE MEASUREMENT

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Consolidated – 2022	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Liabilities				
Forward foreign currency hedges	–	1	–	1
Total liabilities	–	1	–	1

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Valuation techniques for fair value measurements categorised within level 2 and level 3

Derivative financial instruments have been valued using quoted market rates. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

NOTE 27. KEY MANAGEMENT PERSONNEL DISCLOSURES

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	2022 £'000	2021 £'000
Short-term employee benefits	1,784	1,417
Share-based payments	191	75
	1,975	1,492

Key management includes Directors (Executives and Non-Executives) and key heads of departments. Directors' remuneration is disclosed in the corporate governance section of the annual report.

NOTE 28. AUDITOR REMUNERATION

During the financial year the following fees were paid or payable for services provided by Price Bailey LLP, the auditor of the Company, and its associates:

	2022 £'000	2021 £'000
Audit services		
Audit or review of the financial statements	45	40

NOTE 29. CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 31 January 2022 and 31 January 2021.

NOTE 30. RELATED PARTY TRANSACTIONS

Parent entity
Angling Direct PLC is the parent entity.

Key management personnel
Disclosures relating to key management personnel are set out in note 27.

Transactions with related parties
The following transactions occurred with related parties:

	2022 £'000	2021 £'000
Payment for goods and services:		
Payment for services (rented property) to other related party (Hillages Ltd) (a)	140	149
Payment for services (electricity charges) to other related party (Contex Builders Ltd) (b)	1	1

(a) D I Bailey, W P F Hill and M G Page are directors of Hillages Ltd.
(b) D I Bailey is a director of Contex Builders Ltd.

There are sales of goods made between the parent company to its subsidiaries as part of the distribution of goods process where such sales are eliminated on consolidation.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

NOTE 31. INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries held by the Company in accordance with the accounting policy described in note 2:

Name	Principal place of business/Country of incorporation	Principal activities	Proportion held %
H L & S Ltd***	2d Wendover Road, Rackheath Ind Est, Rackheath, Norwich, NR13 6LH, United Kingdom.	Ceased trading on 31 January 2021	100.00%
J Simpson (Angling) Ltd	2d Wendover Road, Rackheath Ind Est, Rackheath, Norwich, NR13 6LH, United Kingdom.	Dormant	100.00%
Climax Fishing Tackle Ltd *	2d Wendover Road, Rackheath Ind Est, Rackheath, Norwich, NR13 6LH, United Kingdom.	Dormant	100.00%
Fosters Fishing Ltd *	2d Wendover Road, Rackheath Ind Est, Rackheath, Norwich, NR13 6LH, United Kingdom.	Dormant	100.00%
ADNL B.V. **	Dirk Hartogweg 14, DC1 Unit 5, 5928LV, Venlo, Netherlands.	Trading from 1 March 2022 onwards	100.00%

* These subsidiaries were applied to strike off on 7 December 2021 and dissolved on 1 March 2022.
** This company was incorporated on 15 September 2021.
*** This wholly owned subsidiary is exempt from the requirements of the UK Companies Act 2006 relating to the audit of individual accounts by virtue of Section 479A of the Act.

The Directors of the dormant subsidiaries are exempt from the requirement to prepare the company's individual accounts to the registrar by virtue of Section 394A of the UK Companies Act 2006 and are exempt from the requirement to deliver a copy of the company's individual accounts to the registrar by virtue of Section 448A of the UK Companies Act 2006.

NOTE 32. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Consolidated	Lease liability £'000
Balance at 1 February 2020 – restated	9,610
Net cash used in financing activities	(1,302)
Acquisition of leases	1,237
Remeasurement of leases	644
Balance at 31 January 2021 - restated	10,189
Net cash used in financing activities	(1,631)
Acquisition of leases	2,492
Balance at 31 January 2022	11,050

NOTE 33. EARNINGS PER SHARE

	2022 £'000	Restated 2021 £'000
Profit after income tax attributable to the owners of Angling Direct PLC	3,077	2,425

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	77,267,304	72,226,957
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	1,000,912	1,049,867
Weighted average number of ordinary shares used in calculating diluted earnings per share	78,268,216	73,276,824

	Pence	Pence
Basic earnings per share	3.98	3.36
Diluted earnings per share	3.93	3.31

NOTE 34. SHARE-BASED PAYMENTS

On 18 August 2020, the Group granted options to the Chief Executive Officer Andrew Torrance and the Chief Financial Officer Steve Crowe. The share-based payment of £165,000 (2021: £75,000) was recognised as expense in the statement of profit or loss and other comprehensive income.

On 2 August 2021, the Group granted options to four key management personnel. The vesting conditions of these options are: service to 31 January 2024, sales revenue of at least £90.5m with a minimum gross margin of 36.7%; minimum pre-IFRS 16 EBITDA ratio of 7%; and minimum stock turnover of 3.5x. The share-based payment of £26,000 was recognised as an expense in the statement of profit or loss and other comprehensive income.

Set out below are summaries of options granted under the plan:

2022 Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
18/08/2020	18/08/2030 *	£0.220	984,444	-	-	-	984,444
18/08/2020	18/08/2030 **	£0.210	492,222	-	-	-	492,222
02/08/2021	02/08/2031 ***	£0.720	-	700,000	-	-	700,000
			1,476,666	700,000	-	-	2,176,666

* LTIP (1)
** LTIP (2)
*** LTIP (3)

2021 Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
24/03/2017	24/03/2027 *	£0.010	1,645,311	-	(1,645,311)	-	-
18/08/2020	18/08/2030 **	£0.220	-	984,444	-	-	984,444
18/08/2020	18/08/2030 ***	£0.210	-	492,222	-	-	492,222
			1,645,311	1,476,666	(1,645,311)	-	1,476,666

* EMI
** LTIP (1)
*** LTIP (2)

The weighted average share price during the financial year was £0.688 (2021: £0.575).

The weighted average share price at the date of exercise was £nil (2021: £0.52).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 8.85 years (2021: 9.54 years). The options have a contractual life of 10 years and have a three year vesting period, cannot be exercised until 31 January 2023 LTIP(1), 31 March 2024 LTIP(2) and 31 January 2024 LTIP(3).

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, were as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
02/08/2021	02/08/2031	£0.720	£0.720	42.400%	-	0.125%	£0.190

Expected volatility has been determined by reference to the historical share return volatility of Angling Direct Plc.

NOTE 35. EVENTS AFTER THE REPORTING PERIOD

The Group commenced trading from its new European distribution centre in the Netherlands on 1st March 2022, allowing orders to be despatched to all EU countries.

No other matter or circumstance has arisen since 31 January 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Company statement of financial position

As at 31 January 2022

	Note	2022 £'000	Restated 2021 £'000	Restated 2020 £'000
Non-current assets				
Intangibles	3	6,176	6,251	6,216
Property, plant and equipment	4	6,721	6,019	5,558
Right-of-use assets	5	10,043	9,937	9,486
Investments in subsidiaries	6	90	5	5
Total non-current assets		23,030	22,212	21,265
Current assets				
Inventories	7	15,959	12,482	13,179
Trade and other receivables	8	986	623	509
Prepayments		392	245	474
Cash and cash equivalents		16,574	14,996	5,978
Total current assets		33,911	28,346	20,140
Current liabilities				
Trade and other payables	9	8,555	6,746	6,489
Lease liabilities	10	1,470	1,319	1,182
Derivative financial instruments		1	-	-
Income tax		463	-	17
Total current liabilities		10,489	8,065	7,688
Net current assets		23,422	20,281	12,452
Total assets less current liabilities		46,452	42,493	33,717
Non-current liabilities				
Lease liabilities	10	8,616	8,780	8,300
Restoration provision	11	681	275	246
Deferred tax	12	744	263	-
Total non-current liabilities		10,041	9,318	8,546
Net assets		36,411	33,175	25,171
Equity				
Share capital	13	773	773	646
Share premium	14	31,037	31,037	26,017
Reserves	15	266	75	-
Retained profits / (accumulated losses)		4,335	1,290	(1,492)
Total equity		36,411	33,175	25,171

Refer to note 2 for detailed information on Restatement of comparatives – restatement of right-of-use asset lease expiry dates.

The Company has taken advantage of the exemption under Section 408 of the Companies Act 2006 from presenting its own profit and loss account. In 2022, the profit for the year amounted to £3,045,000 (2021: profit of £2,782,000 restated).

The financial statements of Angling Direct PLC (company number 05151321 (England and Wales)) were approved by the Board of Directors and authorised for issue on 16 May 2022. They were signed on its behalf by:

Andy Torrance
Executive Director and Chief Executive Officer

16 May 2022

Company statement of changes in equity

31 January 2022

	Share capital £'000	Share premium account £'000	Share-based payment reserve £'000	Retained profits £'000	Total equity £'000
Balance at 1 February 2020	646	26,017	-	(1,501)	25,162
Adjustment for restatement (note 2)	-	-	-	9	9
Balance at 1 February 2020 – restated	646	26,017	-	(1,492)	25,171
Profit after income tax expense for the year	-	-	-	2,782	2,782
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	2,782	2,782
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs	127	-	-	-	127
Share premium, net of transaction costs (note 14)	-	5,020	-	-	5,020
Share-based payments (note 21)	-	-	75	-	75
Balance at 31 January 2021	773	31,037	75	1,290	33,175

	Share capital £'000	Share premium account £'000	Share-based payment reserve £'000	Retained profits £'000	Total equity £'000
Balance at 1 February 2021	773	31,037	75	1,290	33,175
Profit after income tax expense for the year	-	-	-	3,045	3,045
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	3,045	3,045
Transactions with owners in their capacity as owners:					
Share-based payments (note 21)	-	-	191	-	191
Balance at 31 January 2022	773	31,037	266	4,335	36,411

NOTE 1. ACCOUNTING POLICIES

The Company financial statements comprise the separate financial statements of Angling Direct PLC.

Basis of preparation

These financial statements were prepared in accordance with FRS 101 'Reduced Disclosure Framework' and the Companies Act 2006.

As permitted by FRS 101, the Company has taken advantage of all of the disclosure exemptions available to it, including (where applicable): statement of cash flows, new Accounting Standards not yet mandatory, presentation of comparative information for certain assets, impairment of assets, capital risk management, financial instruments, fair value measurement, key management personnel, related party transactions, business combinations, revenue, share-based payments and leases.

The accounting policies applied in the preparation of these Company financial statements are the same as those set out in note 2 to the consolidated financial statements with the addition of the following:

Investments

Investments in subsidiaries are stated at initial cost plus any subsequent contributions, less accumulated impairment.

Amounts owed by subsidiaries

Amounts owed by subsidiaries can be called upon on short notice or are repayable on demand.

NOTE 2. RESTATEMENT OF COMPARATIVES

Restatement of Right of use asset expiry dates

The Company has restated three right of use asset land and building lease expiry dates. The restatement to comparatives of the statement of profit or loss and other comprehensive income for the year ended 31 January 2021 and the statement of financial position as at 31 January 2021 and as 1 February 2020 is as follows:

- Reduction in lease liabilities of £942,000 (current £nil and non-current £942,000) (discounted based on the weighted average incremental borrowing rate of 4%) as at 31 January 2021 (1 February 2020: £906,000; current £nil and non-current £906,000);
- Right-of-use assets of £903,000 were reduced as at 31 January 2021 (1 February 2020: £892,000);
- Additional depreciation of £11,000 was recognised against the right-of-use assets as at 31 January 2021 (1 February 2020: £5,000);
- A reduction in interest payments of £36,000 was recognised against the lease liabilities as at 31 January 2021 (1 February 2020 £14,000);
- Restoration provision was increased by £5,000 as at 31 January 2021 (1 February 2020: £5,000)
- Deferred tax liability increased by £5,000 as at 31 January 2021 (as a result of the net tax effect on right-of-use assets and lease liabilities) (1 February 2020: £nil);
- The overall impact on total equity as at 31 January 2021 was an increase of £29,000. This comprises an increase of £20,000 in the year 31 January 2021 and £9,000 in the period to 31 January 2020.

Statement of financial position at the beginning of the earliest comparative period

Extract	1 Feb 2020 £'000 Reported	£'000 Adjustment	1 Feb 2020 £'000 Restated
Non-current assets			
Right-of-use assets	10,378	(892)	9,486
Total non-current assets	22,157	(892)	21,265
Current assets			
Total current assets	20,140	-	20,140
Current liabilities			
Total current liabilities	7,688	-	7,688
Net current assets	12,452	-	12,452
Total assets less current liabilities	34,609	(892)	33,717
Non-current liabilities			
Lease liabilities	9,206	(906)	8,300
Restoration provision	241	5	246
Total non-current liabilities	9,447	(901)	8,546
Net assets	25,162	9	25,171
Equity			
Retained accumulated losses	(1,501)	9	(1,492)
Total equity	25,162	9	25,171

Statement of financial position at the end of the earliest comparative period

Extract	2021 £'000 Reported	£'000 Adjustment	2021 £'000 Restated
Non-current assets			
Right-of-use assets	10,840	(903)	9,937
Total non-current assets	23,115	(903)	22,212
Current assets			
Total current assets	28,346	-	28,346
Current liabilities			
Total current liabilities	8,065	-	8,065
Net current assets	20,281	-	20,281
Total assets less current liabilities	43,396	(903)	42,493
Non-current liabilities			
Lease liabilities	9,722	(942)	8,780
Restoration provision	270	5	275
Deferred tax	258	5	263
Total non-current liabilities	10,250	(932)	9,318
Net assets	33,146	29	33,175
Equity			
Retained profits	1,261	29	1,290
Total equity	33,146	29	33,175

NOTE 3. INTANGIBLES

	2022 £'000	2021 £'000
Non-current assets		
Goodwill – at cost	5,802	5,802
Less: Impairment	(182)	(182)
	5,620	5,620
Software – at cost	1,431	1,104
Less: Accumulated amortisation	(875)	(473)
	556	631
	6,176	6,251

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Goodwill £'000	Software £'000	Total £'000
Balance at 31 January 2020	5,620	596	6,216
Additions	-	338	338
Amortisation expense	-	(303)	(303)
Balance at 31 January 2021	5,620	631	6,251
Additions	-	327	327
Amortisation expense	-	(402)	(402)
Balance at 31 January 2022	5,620	556	6,176

Company law requires goodwill to be written off over a finite period. Non-amortisation of goodwill, in accordance with International Financial Reporting Standards, is a departure from the requirements of company law for the overriding purpose of giving a true and fair view. If this departure from company law had not been made, the profit for the financial year would have been reduced by amortisation of goodwill. However, the amount of amortisation cannot reasonably be quantified other than by reference to an arbitrary assumed period for amortisation.

Impairment testing

Goodwill is allocated to the Company's cash-generating unit ('CGU').

The Directors consider Angling Direct PLC to represent a singular cash-generating unit as the cashflows of the assets of goodwill are not independent of other cashflows of the Company.

The recoverable amount of the CGU was determined based on a value-in-use calculation. Cash flow projections used in the value-in-use calculation were based on financial budgets approved by Management covering a one year period with extrapolation to year five using estimated growth rates stated below. Cash flows beyond five years are based on an estimated long term average growth rate of 1%.

Management determined budgeted gross margins based on expectations of market developments. The growth rates used were based on consumer price index ('CPI') plus a margin. The discount rates used were pre-tax and reflected specific risks relating to the CGUs.

Key assumptions used for value-in-use calculations:

	2022 %	2021 %
Gross margin	36.6%	35.3%
Five year compound revenue growth rate	9.3%	9.6%
Pre-tax discount rate	10.4%	10.7%

Based on the assessment, no impairment charge is required. Management has performed a number of sensitivity tests on the above rates and note that there are no impairment indicators arising from this analysis. The recoverable amount exceeded the carrying amount by £55,070,000.

Sensitivity
As disclosed in note 3 to the consolidated financial statements, the Directors have made judgements and estimates in respect of testing of goodwill. Should these judgements and estimates not occur the resulting goodwill carrying amount may decrease. Sensitivity analysis has been performed on the value-in-use calculations. Holding all other variables constant, the following represents the effect of reasonably possible changes in key assumptions.

i. the application of a 1.0% increase in discount rate from 10.4% to 11.4% would not result in impairment.

ii. reducing the five year revenue compound growth rate by 100 bps would not result in impairment.

iii. reducing the five year revenue compound growth rate by 260 bps would result in impairment.

NOTE 4. PROPERTY, PLANT AND EQUIPMENT

	2022 £'000	2021 £'000
Non-current assets		
Land and buildings improvements – at cost	1,002	1,002
Less: Accumulated depreciation	(303)	(287)
	699	715
Plant and equipment – at cost	7,475	6,240
Less: Accumulated depreciation	(1,974)	(1,514)
	5,501	4,726
Motor vehicles – at cost	15	15
Less: Accumulated depreciation	(10)	(8)
	5	7
Computer equipment – at cost	1,096	1,224
Less: Accumulated depreciation	(580)	(653)
	516	571
	6,721	6,019

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land and buildings improvements £'000	Plant and equipment £'000	Motor vehicles £'000	Computer equipment £'000	Total £'000
Balance at 1 February 2020	733	4,240	10	575	5,558
Additions	–	1,126	-	208	1,334
Depreciation expense	(18)	(640)	(3)	(212)	(873)
Balance at 31 January 2021	715	4,726	7	571	6,019
Additions	-	1,423	-	227	1,650
Disposals	-	(5)	-	-	(5)
Depreciation expense	(16)	(643)	(2)	(282)	(943)
Balance at 31 January 2022	699	5,501	5	516	6,721

NOTE 5. RIGHT-OF-USE ASSETS

	2022 £'000	Restated 2021 £'000
Non-current assets		
Land and buildings – long leasehold - right-of-use	15,739	13,807
Less: Accumulated depreciation	(5,825)	(4,387)
	9,914	9,420
Plant and equipment - right-of-use	80	575
Less: Accumulated depreciation	(49)	(166)
	31	409
Motor vehicles - right-of-use	326	269
Less: Accumulated depreciation	(248)	(187)
	78	82
Computer equipment - right-of-use	59	59
Less: Accumulated depreciation	(39)	(33)
	20	26
	10,043	9,937

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land and buildings improvements £'000	Plant and equipment £'000	Motor vehicles £'000	Computer equipment £'000	Total £'000
Balance at 1 February 2020 - restated	8,850	466	139	31	9,486
Additions	1,214	-	23	-	1,237
Remeasurement	644	-	-	-	644
Depreciation expense	(1,288)	(57)	(80)	(5)	(1,430)
Balance at 31 January 2021 – restated	9,420	409	82	26	9,937
Additions	1,588	-	57	-	1,645
Disposals	-	(322)	-	-	(322)
Remeasurement	344	-	-	-	344
Depreciation expense	(1,438)	(56)	(61)	(6)	(1,561)
Balance at 31 January 2022	9,914	31	78	20	10,043

NOTE 6. INVESTMENTS IN SUBSIDIARIES

	2022 £'000	2021 £'000
Non-current assets		
Investments in subsidiaries	90	5

A detailed list of subsidiaries is detailed within note 31 to the consolidated financial statements.

NOTE 7. INVENTORIES

	2022 £'000	2021 £'000
Current assets		
Finished goods – at cost	15,959	12,482

Finished goods include £0.3m (FY21: £0.3m) of provisions to remove certain product lines from the Group as part of a product ranging exercise. This write down to reflect net realisable value of these product lines was recognised as an expense during the year to 31 January 2021.

NOTE 8. TRADE AND OTHER RECEIVABLES

	2022 £'000	2021 £'000
Current assets		
Trade receivables	62	99
Amounts owed by Group undertakings	572	-
Other receivables	352	524
	986	623

NOTE 9. TRADE AND OTHER PAYABLES

	2022 £'000	2021 £'000
Current liabilities		
Trade payables	4,844	3,287
Amounts owed to group undertakings	-	5
Accrued expenses	1,811	1,462
Refund liabilities	42	102
Social security and other taxes	793	537
Other payables	1,065	1,353
	8,555	6,746

Refer to note 25 to the consolidated financial statements for further details.

NOTE 10. LEASE LIABILITIES

	2022 £'000	Restated 2021 £'000
Current liabilities		
Lease liability	1,470	1,319
Non-current liabilities		
Lease liability	8,616	8,780
	10,086	10,099

Within non-current liabilities are lease liabilities falling due after 5 years totalling £4,556,000 (2021: £4,971,000).

NOTE 11. RESTORATION PROVISION

	2022 £'000	Restated 2021 £'000
Non-current liabilities		
Restoration provision	681	275

Restoration

The provision represents the present value of the estimated costs for future restoration of the premises leased by the Company at the end of the respective lease terms. The provision therefore includes estimates associated with the timing of future closures of premises and the costs of restoration prior to return to the lessor. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at each reporting date. The discount rate applied to future cash outflows is 4%.

Management has conducted a review of the estimated costs for future restoration, prior to return to the lessor at the end of the lease, of the premises leased by the Group and has revised its estimate based on the results of the review.

Movements in provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

2022	Restoration provision £'000
Carrying amount at the start of the year – restated	275
Additional provisions recognised	84
Revised estimated cost of future restoration	310
Unwinding of discount	12
Carrying amount at the end of the year	681

NOTE 12. DEFERRED TAX

	2022 £'000	Restated 2021 £'000
Non-current liabilities		
Deferred tax	744	263
Deferred tax liability comprises temporary differences attributable to:		
Property, plant & equipment	898	561
IFRS 16 transitional adjustment	(82)	(71)
Unapproved share options issued	(67)	(14)
Tax losses	-	(213)
Short term timing differences	(5)	-
Deferred tax liability	744	263
Movements:		
Opening balance	263	-
Adjustment recognised for prior periods	(3)	-
Deferred tax – rate change	179	-
Other temporary differences	305	263
Closing balance	744	263

NOTE 13. SHARE CAPITAL

	2022 Shares	2021 Shares	2022 £'000	2021 £'000
Ordinary shares of £0.01 each – fully paid	77,267,304	77,267,304	773	773

Movements in ordinary share capital

Details	Date	Shares	*£'000*
Balance	1 February 2019	64,621,993	646
Issue of shares	17 June 2020	6,500,000	65
Issue of shares	1 July 2020	4,500,000	45
Exercise of options	17 July 2020	1,645,311	17
Balance	31 January 2021	77,267,304	773
Balance	31 January 2022	77,267,304	773

During the prior year, the Company issued 11m new ordinary shares of 1p each. 6.5m of these shares were issued on 17 June 2020 with a further 4.5m on 1 July. The shares were fully paid up and issued at a placing price of 50p, a 49p premium per share. The gross proceeds of the total placing totalled £5.5m. £5.4m has been transferred to the share premium account net of direct transaction costs of £0.4m.

On 17 July 2020, 1,645,311 options under the EMI Share option Scheme were exercised at 1p per option. £16,453 has been credited to the share capital account. There was no share premium arising on this transaction.

NOTE 14. SHARE PREMIUM

	2022 £'000	2021 £'000
Share premium account	31,037	31,037

Movements in share premium account

Detail	Date	*£'000*
Balance	1 February 2020	26,017
Issued during the year	17 June 2020	5,020
Balance 31 January 2021		31,037
Balance 31 January 2022		31,037

The share premium account is used to recognise the difference between the issued share capital at nominal value and the capital received, net of transaction costs.

NOTE 15. RESERVES

	2022 £'000	Consolidated 2021 £'000
Share-based payments reserve	266	75

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

NOTE 16. DIVIDENDS

There were no dividends paid, recommended or declared during the current or previous financial year.

NOTE 17. KEY MANAGEMENT PERSONNEL DISCLOSURES

The aggregate compensation made to Directors and other members of key management personnel of the Company is set out in "corporate governance" section of the annual report.

NOTE 18. AUDITOR REMUNERATION

The auditor's remuneration for audit and other services is disclosed within note 28 to the consolidated financial statements.

NOTE 19. CONTINGENT LIABILITIES

The Company had no material contingent liabilities as at 31 January 2022 and 31 January 2021.

NOTE 20. RELATED PARTY TRANSACTIONS

Transactions with related parties

The following transactions occurred with related parties:

	2022 £'000	2021 £'000
Payment for goods and services:		
Payment for services (rented property) to other related party (Hillages Ltd) (a)	140	149
Payment for services (electricity charges) to other related party (Contex Builders Ltd) (b)	1	1

(a) D I Bailey, W P F Hill and M G Page are directors of Hillages Ltd.
(b) D I Bailey is a director of Contex Builders Ltd.

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2022 £'000	2021 £'000
Current payables:		
Payments (from) / to subsidiaries	(567)	5

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

In addition to the rented services, the Group provided Hillages Limited with some bookkeeping services and hosted the accounts software on its onsite servers during the year and in prior periods.

NOTE 21. SHARE-BASED PAYMENTS

On 18 August 2020, the Company granted options to the Chief Executive Officer Andrew Torrance and the Chief Financial Officer Steve Crowe. The share-based payment of £165,000 (2021: £75,000) was recognised as expense in the statement of profit or loss and other comprehensive income.

On 2 August 2021, the Group granted options to four key management personnel. The vesting conditions of these options are: service to 31 January 2024, sales revenue of at least £90.5m with a minimum gross margin of 36.7%; minimum pre-IFRS 16 EBITDA ratio of 7%; and minimum stock turnover of 3.5x. The share-based payment of £26,000 was recognised as an expense in the statement of profit or loss and other comprehensive income.

Set out below are summaries of options granted under the plan:

2022 Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
18/08/2020	18/08/2030	£0.220	984,444	-	-	-	984,444
18/08/2020	18/08/2030	£0.210	492,222	-	-	-	492,222
02/08/2021	02/08/2031	£0.720	-	700,000	-	-	700,000
			1,476,666	700,000	-	-	2,176,666

* LTIP (1)
** LTIP (2)
*** LTIP (3)

2021 Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
24/03/2017 *	24/03/2027	£0.010	1,645,311	–	(1,645,311)	–	–
18/08/2020 **	18/08/2030	£0.220	–	984,444	–	–	984,444
18/08/2020 ***	18/08/2030	£0.210	–	492,222	–	–	492,222
			1,645,311	1,476,666	(1,645,311)	–	1,476,666

* EMI
* LTIP (1)
** LTIP (2)

The weighted average share price during the financial year was £0.688 (2021: £0.575).

The weighted average share price at the date of exercise was £nil (2021: £0.52).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 8.85 years (2021: 9.54 years). The options have a contractual life of 10 years and have a three year vesting period, cannot be exercised until 31 January 2023 LTIP(1), 31 March 2024 LTIP(2) and 31 January 2024 LTIP(3).

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, were as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
02/08/2021	02/08/2031	£0.720	£0.720	42.400%	-	0.125%	£0.190

Expected volatility has been determined by reference to the historical share return volatility of Angling Direct Plc.

NOTE 22. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

Company directory

Directors	Martyn Page - Non-Executive Chairman
	Andy Torrance - Executive Director and Chief Executive Officer
	Steven Crowe - Executive Director and Chief Financial Officer
	Paul Davies - Non-Executive Director
	Dilys Maltby - Non-Executive Director
	Darren Bailey - Non-Executive Director – resigned 23 June 2021
Company secretary	Shona Wright
Registered office	2d Wendover Road, Rackheath Industrial Estate, Rackheath, Norwich, Norfolk NR13 6LH
Auditor	Price Bailey LLP Chartered Accountants & Statutory Auditors Tennyson House, Cambridge Business Park, Cambridge, Cambridgeshire CB4 0WZ
Solicitors	Leathes Prior 74 The Close, Norwich, Norfolk NR1 4DR Marriott Harrison LLP 11 Staple Inn, Holborn, London WC1V 7QH
Website	www.anglingdirect.co.uk
Nominated advisor and broker	Singer Capital Markets Advisory LLP 1 Bartholomew Lane, London EC2N 2AX
Company registrars	Share Registrars Limited The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR

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