

Furniture Village Limited

Annual Report and Financial Statements

For the 52 weeks ended 29 June 2025

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Officers and professional advisors

Directors

P J Harrison (Executive Chairman)
C G Harrison
E G Wynne
N J Hipkiss
D S Ayers
C J Cooper
J Price (Appointed 1 July 2024)

Non-executive Directors

Rt Hon S McPartland
M A Cowan

Secretary

E G Wynne

Bankers

Bank of Scotland
33 Old Broad Street
London
EC2N 1HW

Registered Office

258 Bath Road
Slough
Berkshire
SL1 4DX

Strategic report

The Directors present their Strategic Report for the 52 weeks ended 29 June 2025

The Furniture Village 'Group' consists of Furniture Village Limited, the trading company, owned 100% by Furniture Village Group Limited, which in turn is owned 100% by the ultimate parent company Furniture Village Holdings Limited. As such, the Strategic Report below contains extracts from the consolidated accounts of the group due to its direct relevance to Furniture Village Limited.

Principal activity

The principal activity of the Company is the sale of quality furniture, positioned at the mid to upper end of the UK volume furniture retail market.

Review of the business

We remain a product led and marketing driven business, with our people and our customers at the heart of everything we do. Our culture is firmly rooted in our core 'family values', carefully positioned alongside an ambition to continue building a successful, growing business, one in which everyone has a desire to do well and where everyone can share in the rewards of their efforts.

The year ended 29 June 2025 represents another important step forward in building a strong, resilient and ambitious business, one able to weather the inevitable storms whilst at the same time capable of identifying and crystallising opportunities for growth.

Despite a challenging trading environment, the Group delivered strong 8% like for like growth in order intake, improved profitability, and growth in available cash, whilst continuing to invest in our store infrastructure and our ongoing ERP project without resorting to any external funding.

Our people remain our greatest asset and they are undoubtedly the key to our success and we continue to invest in them and ensure they remain amongst the best rewarded in the industry.

Over the years, we have worked towards having a business where everyone who works within it can share in the rewards of their efforts, over and above the standard practice of commission and performance related bonuses. Following the share buyback in October 2022, resulting in the business becoming 100% family controlled, a companywide profit-sharing scheme known as the 'Family Partnership' was implemented to provide the opportunity for that to happen.

Now in its third year since inception, we are very proud of having been able to make the largest payout through the Family Partnership Profit Share Scheme, of £2.56 million to over 1,100 qualifying employees for FY25 (52 weeks ending 29 June 2025), surpassing the £2.25 million paid for FY24 (52 weeks ended 30 June 2024) and the £1.25 million for FY23 (52 weeks ended 2 July 2023).

The ongoing investment over the years in our people, our stores, our digital capability and importantly our product offer throughout sometimes volatile trading cycles, has certainly created a resilient, agile and united business.

Whilst we are all aware of the economic headwinds that faced retail in general and big ticket in particular over this past year, our belief remains that there will always be a market for good quality, good value, home furnishings, presented well and served right.

Strategic Report (continued)

The following are the Financial Key Performance Indicators for the year ended 29 June 2025

	52 weeks 2025 £'000	52 weeks 2024 £'000	Total Change £'000
Revenue or Deliveries (net of Vat)	382,492	348,873	33,619
Gross Profit %	48.0%	47.8%	+0.2pp
Operating Profit before new stores	9,817	8,931	886
EBITDA*	17,385	16,329	1,056
Profit after taxation	6,302	5,968	334
Cash Balance	48,342	40,551	7,791

*Reconciliation of Profit before interest and tax to Earnings before interest, tax, depreciation and amortisation (EBITDA)

	52 weeks 2025 £'000	52 weeks 2024 £'000
Profit before interest and tax	8,194	8,197
Depreciation of owned assets	7,533	6,712
Amortisation of intangible assets	1,131	893
Amortisation of Goodwill	527	527
EBITDA	17,385	16,329

As noted earlier in this report, our order intake was up some 8% on a 'like for like' basis in FY25, a result we are very pleased with, especially as our like for like growth was up some 3% in the previous year. Given market conditions, that indicates strong growth in market share during the year.

Revenue growth was some 9.6%, which is a testament to the improvements we have seen across our customer fulfilment and supply chain teams. Good progress was also made in reducing lead times, particularly as a result of the backing stock programmes we have in place which enables quicker delivery. We have again grown our Gross Profit percentage by working very closely with our carefully selected suppliers and whilst we will always drive a 'hard bargain' we at the same time will always ensure the important principle a 'fair deal' for all is maintained. Continued good cost control and disciplines, together with ongoing efforts to improve efficiencies and eliminate waste across the business, meant that we generated a very healthy EBITDA of £17.4 million (FY24: £16.3 million).

The Operating Profit before Family Partnership of just over £12.4 million for the year ended 29 June 2025 far exceeded the prior year (FY24: £11.2 million) and the budget we set ourselves. The additional profit generated from this outperformance has enabled us to increase the amount paid out under our Family Partnership Profit Share scheme this year to around 1,100 of our employees to £2.56 million (FY24: £2.25 million).

The business model remains highly cash generative, and the strong cash inflow from continuing operating activities produced a healthy closing cash position of £48.3 million (FY24: £40.6 million), further enhancing the resilience of the business and providing a platform for funding further growth and investment organically.

Strategic Report (continued)

Consistently improving performance is something we do not take for granted, especially in the big-ticket sector, which is highly dependent on consumer sentiment and is very sensitive to economic and political fluctuations. However, our commitment to genuinely caring for our customers and, most importantly, our own people, has proven invaluable during these uncertain times. It is firmly embedded within our business Family Values to ensure we bring our people along with us, and these results are again a testament to their extraordinary efforts, for which we are immensely grateful. The same goes for all our highly valued suppliers who face their own business challenges, and we thank them for their ongoing support and cooperation.

As a business, we believe we have once again demonstrated that it is possible to be profitable and cash generative yet still 'do it properly'. We have no borrowings and no external shareholders, but sufficient funds to continue to grow organically by investing in both new and existing stores as well as continuing to build our complimentary online presence.

We expanded our physical store portfolio during the year opening a new Edinburgh store in December 2024. In addition, we opened a second store in Scotland, our largest footprint store, in Glasgow ahead of schedule in June 2025. Both stores have performed very well since opening and have exceeded all expectations. The portfolio of physical stores at 29 June 2025 was therefore 58 stores (30 June 2024: 56 stores), extending physical 'reach' across most of England and now Scotland.

Outlook

In last year's outlook, we reported that the additional business taxes announced in the 2024 government budget could impact unemployment, inflation and the capacity of employers to continue to make meaningful wage awards, all of which could impact disposable incomes and consumer demand. Unfortunately, some 12 months on from that report, those concerns were well founded as we have seen increases in the cost of doing business across many sectors, but especially in hospitality and retail. These additional costs, together with the uncertainty and fear of tax rises in the delayed budget in November 2025, as well as the volatile and unpredictable international geopolitical environment have created an environment of fragile confidence.

On the positive side, decreasing inflation and interest rates should have a positive impact on disposable incomes as the cost-of-living pressures ease. Equally significantly, it appears the official Bank of England interest rates are on a downward trajectory, which should also have a positive impact on mortgage rates and the residential property market, a key driver of big-ticket furniture purchases.

We will always adopt a cautious and considered approach, but at the same time we remain inherently an ambitious business. We will therefore always set our stall out to take additional market share to compensate for any weakness in market demand. We remain confident, but not arrogant, in the appeal of our offer and more importantly in the capacity and desire of our people to continue to respond with belief, skill, enthusiasm, determination and the resoluteness required to increase market share despite volatility in the market.

Throughout the years we have been very thoughtful and deliberate in our expansion strategy and our plans are to continue to grow in a sensible, measured way, taking advantage of the right opportunities when they become available. As noted above having opened our first store in Scotland in Edinburgh on Boxing Day 2024, we further extended this presence in Scotland Glasgow in the last few weeks of June 2025. In addition, we continue to expand in England and opened our 59th physical store in Worcester in August 2025. All three new stores have surpassed our expectations and have traded well ahead of targets set.

Strategic Report (continued)

At the same time as investing in both our physical and online retail presence, we are also committed to ensuring our warehouse and distribution infrastructure and training facilities provide the necessary 'firm foundations' for future growth. To that end, we recently relocated 'next door' to a new National Distribution Centre in Bedfordshire, creating a single hub that combines fulfilment, operational support offices and a dedicated training facility. This will provide the capacity to handle greater order volumes and enable faster delivery nationwide, as well as to better accommodate our training academy and dedicated customer care team.

Fully recognising the immense opportunities presented by ever-improving technology, we also continue to invest substantially in a new ERP system which will be up and running in early FY27. We are similarly very grateful to our chosen implementation partners, Sci-Net, and many of our own highly skilled personnel for helping us to undertake this project and we look forward to bringing it home successfully in the 2026/27 financial year.

Our assessment is that trading conditions will remain uncertain for some time. That all said, we never fail to be impressed by the consumers' resilience and appetite to 'buy nice things from nice people, who serve them right!' Our stance is to recognise that there will always be a market for good quality furniture and beds, sensibly priced, well-presented, and served by professionals who care and are well rewarded accordingly. History teaches us that the market shrinks and expands depending upon prevailing consumer confidence and economic conditions, so it is up to individual businesses to deal with these variations in the best way that they can.

The Group Senior Leadership Team remains focused on controlling those things which remain within our control whilst remaining alert and agile to deal with the unexpected. We have faced many different trading conditions in the last 36 years and always 'found a way' to perform and prosper. The Board believes that we are well positioned to successfully navigate the business to take advantage of opportunities that will always exist to grow market share, emerging at the end of this year stronger than ever.

Whilst being ever mindful of both local and geopolitical developments, and their impact on consumer behaviour and confidence, we continue to seek physical, financial and creative improvements to our overall business strategy with a strong desire to remain on a growth trajectory.

Principal Risks and Uncertainties

Risks and opportunities are constantly evolving, and an awareness of their changing nature and potential business impact is essential to ensure the Group remains in the best position to deliver its objectives. All existing and emerging risks, uncertainties and opportunities are monitored on an ongoing basis by the Directors. Where necessary, strategies are developed as appropriate to mitigate against identified risks and minimise their impact on the business, whilst also seeking to take advantage of opportunities to grow and expand the business profitably. The principal risks are segmented and managed accordingly.

Strategic risk

The trading strategy is regularly revisited and reviewed to ensure its appropriateness to today's trading environment and customer trends. Over time, a failure to maintain a well-designed, high quality, attractively priced product offering, together with delivering on the experience expected by our customers in all areas, could have an adverse impact on the reputation and success of the Group.

Strategic Report (continued)

We remain convinced that the broad strategic direction which has served us so well over many years remains the relevant one for the market in which we operate, as consumers place increasingly more emphasis on trust, service, quality, choice, and value, playing strongly to our existing core strengths. The Group believe that continual focus on customer value, reputation, employee engagement and being 'fleet of foot' to react to changes in market sentiment will ensure the Company is well placed to manage through this risk in future.

We continue to invest in both the digital platform, as well as physical stores, seeking to be truly multi-channel. We remain steadfast in the need for both stores and online, particularly at the mid to upper end of the furniture market where customers still want to 'touch and feel' the furniture before committing to a purchase.

Financial and Liquidity risk

Accurate reporting and access to sufficient liquidity are important aspects of delivering the business strategy. Unexpected or difficult to forecast external factors impact the business environment in which the Group operates. Ongoing macroeconomic and geopolitical uncertainties are likely to continue for the foreseeable future. We therefore regularly review financial forecasts and wide-ranging sensitivities to ensure robust levels of cash headroom.

The Group maintains good working relationships with all financial counterparties and engages proactively to ensure they understand the Group financial position and performance.

New investment opportunities are subject to detailed and rigorous financial appraisal and foreign exchange risks are managed using forward purchases as appropriate.

IT systems, Cyber Crime and General Data Protection Regulation (GDPR) risk

We recognise that there is significant opportunity in digitalising the business and continue to invest in Information Technology (IT) to improve both the customer experience as well as operational efficiencies. We therefore understand the important role that IT plays across our business in allowing us to trade effectively and efficiently. We also recognise that sustained performance issues, or major disruption, could constitute a significant risk to our business.

Robust security measures and recovery plans are in place to mitigate this risk. In May 2021, the group was subject to a sophisticated Cyber Incident, the impact of which was significantly mitigated due to the existing security in place and no customer data was lost. Recent cyber-attacks against other British retailers have again highlighted the risk cyber-crime presents to the wider business community. This risk is therefore monitored on an ongoing basis and where it is felt prudent to introduce additional protection, that investment is made.

Investment continues in implementing a modern, cloud-based enterprise resource planning (ERP) system which will further enhance the customer experience, strengthen and improve operational efficiencies and further increase security.

Since the introduction of GDPR we have robust policies and practices in place to ensure we comply with all aspects of the regulations.

Operational and Supply Chain risk

Store and fulfilment managers, supported by regional management, ensure operational standards are maintained and our focus on quality stores, systems and infrastructure seek to ensure consistency of performance, bolstered further by the deployment of 'Best Practice' throughout the Group.

Strategic Report (continued)

We are reliant on external suppliers, both domestic and international, to provide our finished product for our customers. Our supplier base is managed in an open, honest, and constructive manner, with quality of service being of huge importance to us and regular dialogue continues to ensure adherence to our exacting product standards and lead-time requirements. Furthermore, we seek to ensure that key suppliers can adapt to unforeseen circumstances and/or fluctuations in demand to minimise any supply chain risk.

Health & Safety and other Regulatory Compliance risk

The business takes its compliance responsibilities very seriously and seeks to adhere to all relevant legislation. We also engage with external parties, including having a Primary Authority relationship with Slough Borough Council and Hertfordshire Fire and Rescue, to ensure that current practices, procedures, and training methods are effective and robust and in doing so that we protect all stakeholders.

We have a strong compliance team, seeking assured advice on numerous aspects of Health and Safety, ensuring that appropriate standards, controls and records are maintained.

Statement by the Directors in performance of their statutory duties in accordance with Section 172 of the Companies Act 2006

The Directors of Furniture Village Holdings Limited are bound by their duties under the Companies Act 2006, including their duty to promote the success of the Company for the benefit of its members as a whole.

The detail below sets out how the Directors have, in performing their duties, had regard to the matters set out in section 172(1)(a) - (f) of the Companies Act 2006, for the 52 weeks ended 29 June 2025. The information provided below is for the Furniture Village Group of companies. The Directors consider the following to be the Company's key stakeholders.

Our Customers

Providing both our existing and future customers with outstanding quality, choice and value, is at the heart of what we do. We strive to provide exceptional service at every point in the customer journey and actively seek and monitor customer feedback and reviews to evaluate and improve the customer experience.

We regularly review our product offering to ensure it is aligned with changing customer aspirations and are constantly utilising technology to ensure customers can view and order product through the medium of their choice.

Our People

Our people are what makes our business successful and nurturing a motivated, passionate, and skilled team is pivotal to our continued evolution and relevance in today's ever-changing world. We engage with all our workforce regularly, including a company-wide weekly newsletter, frequent update meetings and more recently participation in the 'Best Companies' programme (<https://www.bco.uk/>).

At the same time the Board also regularly visits both stores, fulfilment centres and support hubs to further engage and gain 'first-hand' insight.

The health, safety and well-being of our people is of the utmost importance, and we ensure we have appropriate policies and procedures in place to safeguard them. We are furthermore constantly reviewing our pay and benefits to ensure our people are appropriately rewarded, with our practice of 'Perform, Achieve, Reward' remaining a key ingredient of our ethos.

Strategic Report (continued)

In 2023, we introduced the Family Partnership Profit Share Scheme, which provides an opportunity for all employees with more than a year's service to share in the profits of the business. That is in addition to all other bonus and incentive schemes and has been very well received by all in the business. The existence of profits to share will depend annually upon the financial performance and needs of the business, but it is an aspiration of the Directors to ensure that opportunity exists annually.

Our Suppliers

Our Suppliers are vital to our mission to deliver quality, choice and value to our customers, whether providing furniture, premises or any other goods or services required to operate our business. We have long-standing relationships with most of our suppliers, many of whom are well established brands themselves, and we work in collaboration to ensure our products evolve, with frequent new product launches.

We also carry out regular reviews to ensure exacting standards of product quality and adherence to both committed lead-times and Modern Slavery Regulations alongside commercial reviews to ensure value for money and service standards.

Our Shareholders

In November 2022 an amicable financial arrangement was reached with the Business Growth Fund ('BGF') and other shareholders which enabled the business to buy-back their shareholdings and they ceased to be shareholders in the business. The only shareholders at the date of this report are the Directors P J Harrison and C G Harrison, family member K A Stevens, and our Employment Benefit Trust.

We engage with our shareholders through regular meetings and various other communications and updates to ensure they are fully informed on the strategic plan. We are committed to delivering on the financial results that are part of our strategic plan.

Our Communities

Furniture Village operates out of multiple locations and our communities expect us to act responsibly and positively influence the local communities in which we operate. We currently have over thirteen hundred employees, with our continued expansion creating further job opportunities. We have continued to support both local and national charities during the year, as well as those that support the furniture and wider retail sector.

By order of the Board



E G Wynne

Director

Date

27 JANUARY 2026

Directors' Report

The directors present their report and financial statements for the 52 weeks ended 29 June 2025

The Company has chosen in accordance with Section 414 (c) of the Companies Act 2006 to set out in the Strategic Report the following, which the Directors believe to be of strategic importance

- Review of the Business
- Principal Risks and Uncertainties

Results and Dividends

The profit for the year, after taxation, amounted to £6,607k (52 weeks ended 30 June 2024 £6,273k) The net assets of the Company were £39,460k (52 weeks ended 30 June 2024 £32,403k)

The directors recommend the payment of an intercompany dividend of £2,000k to Furniture Village Group Ltd (52 weeks ended 30 June 2024 £2,000k) The company also paid an intercompany non-equity preference share dividend of £222k to Furniture Village Group Ltd (52 weeks ended 30 June 2024 £222k)

Future Developments

Other than the events subsequent to year-end noted below, the directors aim to maintain the current management policies and strategy, as outlined further in the Strategic Report, and consider that this will generate an uplift going forward in both EBITDA and cash

Going concern

The following statement on going concern is extracted from the consolidated accounts of the group due to its direct relevance to Furniture Village Limited

The Group had net assets of £22,385k (52 weeks ended 30 June 2024 £15,899k) and cash at year end was £48,342k (52 weeks ended 30 June 2024 £40,551k) and the Group has continued to generate positive EBITDA and cash since that time Available cash remains in excess of £40m at the date of signing these financial statements

In assessing whether the going concern basis is appropriate, the Directors take into account all available information about the future up to and including 27 June 2027, which is more than 12 months from the date of the approval of these financial statements The Directors have performed this review at a Group and Company level, including considering a reasonable worst-case scenario

The Directors have considered the cash flow forecasts and profitability of the Group and Company and have applied a combination of sensitivities to model potential downside scenarios to reflect differing market conditions and challenges The Directors have also assessed the feasibility of implementing mitigating measures to reduce the impact of such downside scenarios on cash reserves should it be required Taking these forecasts into account, the Directors believe that the Group and Company has adequate resources and facilities to continue trading effectively for the foreseeable future On this basis, the Directors continue to adopt the going concern basis of accounting in preparing this Report and Financial Statements

Supplier Involvement

We value the relationships with all of our suppliers, both products and services and conduct these important relationships in a spirit of openness, transparency, fairness and trust

Employee Involvement

Furniture Village is a 'people business' and the culture of development, training, recognition and reward are of the utmost importance to Management Significant investment in training continued across the business, ensuring that product knowledge is developed and enhanced, along with skills for all customer service, distribution and administrative functions

Directors' Report (continued)

Lines of communication, facilitated by a relatively flat structure, are open and honest and are endorsed by excellent retention rates and long service to the business. All employees participate directly in the success of the business through the Group's bonus and other incentive schemes. In addition, a Family Partnership Profit Share Scheme was implemented during the period ended 2 July 2023 in terms of which profits exceeding an annually agreed level are shared amongst all eligible employees, as long as business finances and trading conditions permit, has continued during the current period.

Disabled employees

The Group considers applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person.

Should existing employees become disabled, it is the Group's policy, wherever practicable, to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

UK Streamlined Energy and Carbon Reporting ("SECR")

Furniture Village Holdings Limited complies with the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 and our approach to reporting is based on the Greenhouse Gas "GHG" Protocol Corporate Accounting and Reporting Standard in line with the guidance on SECR.

GHG Emissions and Energy Use Data

Our reporting period is for the financial year 1 July 2024 to 29 June 2025, reporting all material GHG emissions using "Tonnes of CO₂ equivalent" (tCO₂e) as the unit of measurement and reporting energy use in kWh.

	2024-25	2023-24
Energy consumption used to calculate emissions	16,159,535 kWh	17,202,542 kWh
Emissions from combustion of gas (Scope 1)	219 tCO ₂ e	187 tCO ₂ e
Emissions from combustion of fuel for transport purposes (Scope 1)	1,108 tCO ₂ e	1,293 tCO ₂ e
Emissions from business travel in rental cars or employee-owned vehicles where Company is responsible for purchasing the fuel (Scope 3)	72 tCO ₂ e	11 tCO ₂ e
Emissions from purchased electricity (Scope 2, location-based)	1,786 tCO ₂ e	2,220 tCO ₂ e
Total gross CO₂e based on above	3,185 tCO₂e	4,463 tCO₂e
Intensity ratio tCO₂e g per £100,000 revenue	8.33	10.64

Energy Efficiency Action Taken

The Business has aligned itself with the British Retail Consortium Climate Action Roadmap which is the retail industry's commitment to deliver net zero in their own operations and the products they sell by 2040. The Roadmap is supported by many UK retailers who have come together in an effort to collaborate in finding practical solutions to the challenge of reducing carbon. We are currently on track to deliver on our commitment to be Net Zero in our own operations and the products we sell by 2040.

Directors' Report (continued)

Regarding the property portfolio, we continue monitoring consumption monthly and remain alert to identifying and implementing additional efficiency opportunities where possible. Following previous investment, all our stores have been illuminated entirely by LED lighting save for one which remains subject to a planned extensive refit when this will be addressed. We have recently opened three new stores in Edinburgh, Glasgow and Worcester and each of these also incorporate full-scale LED lighting.

Notably, our recently acquired new National Distribution Centre, which will become operational in the 2025/26 financial year and will double the footprint of our existing operation, is entirely lit by LED lighting throughout. This incorporates extensive sensor controls to ensure the efficient use of lighting only in those warehouse and office areas where there is activity. A Solar PV array on the roof has also been provided by the landlord to generate electricity to contribute towards the consumption requirements and there is no gas supply to the premises.

Our existing electricity supply contract ensures supply continues to be purchased via Renewable Energy Guarantees of Origin. We are also progressing the implementation of a web portal solution to better monitor our use and identify potential issues/opportunities.

All vehicles in the company car fleet are now electric, contributing to a reduction in emissions during the year.

In terms of the commercial fleet, we are committed to improving the energy efficiency of this important part of the business. Range limitations of currently available commercial electric vehicles, as well as the availability of a commercially suitable national charging infrastructure, continue to present a realistic challenge to this ambition. Nevertheless, we have continued to increase the use of smaller, more fuel efficient 3.5t vehicles over the larger 7.5t vehicles previously used, where appropriate to do so. Scrutiny on route planning and associated vehicle efficiencies through enhanced telematics has enabled a further reduction in our carbon footprint whilst we continue to identify a commercially viable alternative fuel solution to diesel.

Directors

The directors who served during the year and up to the date of signing these financials were as follows:

P J Harrison (Executive Chairman)
C G Harrison
E G Wynne
N J Hipkiss
D S Ayers
C J Cooper
J Price

Non-executive Directors

The non-executive directors who served during the year and up to the date of signing these financials were as follows:

Rt Hon S McPartland
M Cowan

Directors' qualifying third party indemnity provisions

The Company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought about by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third-party indemnity provision was in force throughout the year and remains in force as at the date of approving the Directors' report.

Directors' Report (continued)

Elective resolution and auditors

The Company has passed Elective Resolutions to dispense with the laying of the financial statements before the Company in General Meeting, the appointment of auditors annually and the holding of the Annual General Meetings, pursuant to section 485 of the Companies Act 2006

Events occurring after the Statement of Financial Position date

Since the Statement of Financial Position date, the Company has opened a new store in Elgar Retail Park in Worcester and the store is currently trading well ahead of expectations. In addition, we have successfully relocated to a new National Distribution Centre in Marston Gate, Bedford, and the site became fully operational in December 2025, providing considerable additional capacity for future growth

By order of the Board



E.G. Wynne

Director

Date 27 JANUARY 2026

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, the Directors' Report and the financial statements in accordance with applicable law and regulations

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

In preparing these financial statements, the directors are required to

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

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

Income Statement

for the 52 weeks ended 29 June 2025

	Note	52 weeks ended 29 June 2025 £000	52 weeks ended 30 June 2024 £000
Revenue	2	382,492	348,873
Cost of sales		(198,769)	(182,036)
Gross profit		183,723	166,837
Distribution costs		(109,120)	(97,104)
Administrative expenses		(64,262)	(61,378)
Other operating income	3	3	1,103
Operating profit before cost of new/re-launched stores		10,344	9,458
New and re-launched stores		(1,620)	(334)
Operating profit		8,724	9,124
Loss on disposal of intangible and tangible fixed assets	4	(3)	(400)
Profit before interest and tax	5	8,721	8,724
Interest receivable and similar income	9	1,568	1,456
Interest payable and similar charges	10	(312)	(314)
Profit on ordinary activities before taxation		9,977	9,866
Tax charge	11	(3,370)	(3,593)
Profit for the financial period		6,607	6,273

All the activity of the company has been generated through continuing operations in both the current and preceding periods

Statement of comprehensive income

for the 52 weeks ended 29 June 2025

		52 weeks ended 29 June 2025 £000	52 weeks ended 30 June 2024 £000
	Note		
Profit for the financial period		6,607	6,273
Other comprehensive income			
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods</i>			
Net loss on cash flow hedges		(447)	(29)
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods</i>			
Revaluation of leasehold property	14	3,078	881
(Charge)/Credit on deferred tax arising on the revaluation reserve	11	(181)	19
Total comprehensive income		9,057	7,144

Statement of change in equity

for the 52 weeks ended 29 June 2025

	Note	Share capital £000	Share premium £000	Revaluation reserve £000	Cash flow hedge reserves £000	Profit and loss reserve £000	Total share- holders' funds £000
At 2 July 2023		650	274	6,873	(102)	19,564	27,259
Profit for the financial period		–	–	–	–	6,273	6,273
Other comprehensive income		–	–	900	(29)	–	871
Total comprehensive income		–	–	900	(29)	6,273	7,144
Transfer from revaluation reserve to profit and loss reserve		–	–	(1,270)	–	1,270	–
Ordinary dividends paid to parent undertaking	12	–	–	–	–	(2,000)	(2,000)
At 30 June 2024		650	274	6,503	(131)	25,107	32,403
Profit for the financial period		–	–	–	–	6,607	6,607
Other comprehensive income		–	–	2,897	(447)	–	2,450
Total comprehensive income		–	–	2,897	(447)	6,607	9,057
Transfer from revaluation reserve to profit and loss reserve		–	–	(1,515)	–	1,515	–
Ordinary dividends paid to parent undertaking	12	–	–	–	–	(2,000)	(2,000)
At 29 June 2025		650	274	7,885	(578)	31,229	39,460

Statement of Financial Position

at 29 June 2025

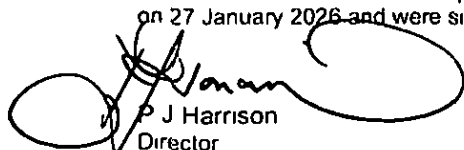
	Note	29 June 2025 £000	30 June 2024 £000
Assets			
Non-current assets			
Intangible assets	13	4,014	1,964
Tangible assets	14	35,808	32,275
Total non-current assets		39,822	34,239
Current assets			
Stock	15	19,367	18,349
Debtors	16	89,879	83,325
Cash	23(b)	48,333	40,542
Total current assets		157,579	142,216
Total assets		197,401	176,455
Liabilities			
Non-current liabilities			
Preference shares	17	(3,150)	(3,150)
Provision for liabilities	18	(6,209)	(5,682)
Total non-current liabilities		(9,359)	(8,832)
Creditors amounts falling due within one period	19	(148,582)	(135,220)
Total liabilities		(157,941)	(144,052)
Net assets		39,460	32,403
Capital and reserves			
Called up share capital	20	650	650
Share premium account		274	274
Profit and loss reserve		31,229	25,107
Asset revaluation reserve	21	7,885	6,503
Other reserves	22	(578)	(131)
Total equity		39,460	32,403

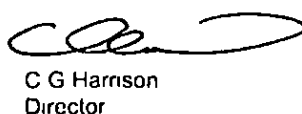
For the 52 weeks ending 29 June 2025 the Company was entitled to exemption from audit under s479A of the Companies Act 2006 relating to subsidiary companies

Directors responsibilities

- the members have not required the Company to obtain an audit of its account for the period in question in accordance with s476
- the directors acknowledge their responsibilities for complying with the requirements of the Act in respect to accounting records and the preparation of the accounts

The financial statements on pages 14 to 35 were authorised for issue by the Board of directors on 27 January 2026 and were signed on its behalf by


P J Harrison
Director


C G Harrison
Director

Statement of cash flows

for the 52 weeks ended 29 June 2025

	Note	52 weeks ended 29 June 2025 £000	52 weeks ended 30 June 2024 £000
Net cash inflow from operating activities	23(a)	19,707	11,292
Investing activities			
Interest received		1,568	1,456
Payments to acquire tangible fixed assets		(7,991)	(4,152)
Payments to acquire intangible fixed assets		(3,181)	(899)
Net cash outflow from investing activities		(9,604)	(3,595)
Financing activities			
Intercompany preference dividend paid to parent company		(222)	(222)
Other interest paid		(90)	(92)
Equity dividend paid to parent company	12	(2,000)	(2,000)
Net cash outflow from financing activities		(2,312)	(2,314)
Change in cash resulting from cash flows	23(b)	7,791	(5,383)
Cash at beginning of financial period	23(b)	40,542	35,159
Cash at end of financial period	23(b)	48,333	40,542

Notes to the financial statements

for the 52 weeks ended 29 June 2025

1. Accounting policies

Statement of compliance

Furniture Village Limited is a limited liability company incorporated in the United Kingdom. The registered office is 258 Bath Road, Slough, Berkshire, SL1 4DX. The company's financial statements have been prepared in compliance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS 102) and in accordance with the requirements of the Companies Act 2006 for the 52 weeks ended 29 June 2025.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements can require management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for income and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgement (apart from those involving estimates) has had the most significant effect on amounts recognised in the financial statements:

Operating lease commitments

The Company has entered into commercial property leases as a lessor on retail and warehouse units. The classification of such leases as operating or finance leases is required by the company. Based on an evaluation of the terms and conditions of the leases, whether it retains or acquires the significant risk and rewards of ownership and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position, it has been established that these leases meet the classification of operating leases.

Tangible and Intangible Assets

Estimations on the useful economic life of assets are based on the expected time benefits are generated in the business, or in the case of leasehold assets, the time to the next rent review. On completion of contracts to extend store leases, leasehold property assets are revalued to reflect the fair value based on a replacement cost approach. Depreciation is provided on these assets at the revalued amount, less estimated residual value, of each asset evenly over its expected useful life.

Basis of preparation

The financial statements are prepared in accordance with applicable accounting standards, predominantly using historical cost accounting principles, though leasehold assets are revalued in the event of an extension to a property lease (see below).

The financial statements are prepared in sterling which is the functional currency of the Company and rounded to the nearest £'000.

The Company has taken advantage of the exemption in FRS 102 which allows certain companies to not disclose key personnel remuneration.

In accordance with s479A of the Companies Act 2006 the Company has claimed exemption from the audit relating to subsidiary companies in respect of the current financial year.

Notes to the financial statements (continued)

for the 52 weeks ended 29 June 2025

1. Accounting policies (continued)

Going Concern

The Group had net assets of £22,385k (52 weeks ended 30 June 2024 £15,899k) and cash at year end was £48,342k (52 weeks ended 30 June 2024 £40,551k) and the Group has continued to generate positive EBITDA and cash since that time. Available cash remains in excess of £40m at the date of signing these financial statements.

In assessing whether the going concern basis is appropriate, the Directors take into account all available information about the future up to and including 27 June 2027, which is more than 12 months from the date of the approval of these financial statements. The Directors have performed this review at a Group and Company level, including considering a reasonable worst-case scenario.

The Directors have considered the cash flow forecasts and profitability of the Group and Company and have applied a combination of sensitivities to model potential downside scenarios to reflect differing market conditions and challenges. The Directors have also assessed the feasibility of implementing mitigating measures to reduce the impact of such downside scenarios on cash reserves should it be required. Taking these forecasts into account, the Directors believe that the Group and Company has adequate resources and facilities to continue trading effectively for the foreseeable future. On this basis, the Directors continue to adopt the going concern basis of accounting in preparing this Report and Financial Statements.

Intangible fixed assets

Intangible assets including website costs are capitalised at cost. Amortisation is provided on all intangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Software	–	over 4 years
Website infrastructure costs	–	over 7 years
Website ongoing development costs	–	over 2 years

Software

Costs associated with maintaining software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets where the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use or sell it
- There is an ability to use or sell the software
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available
- The expenditure attributable to the software during its development can be reliably measured

Amortisation of the asset begins when development is complete and the asset is available for use.

Design and content development costs are capitalised within intangible fixed assets in accordance with FRS 102 only to the extent that they lead to the creation of an enduring asset delivering benefits at least as great as the amount capitalised. If there is insufficient evidence on which to base reasonable estimates of the economic benefits that will be generated in the period until the design and content are next updated, the costs of developing the design and content are charged to the Income Statement as incurred.

The carrying values of intangible fixed assets are reviewed for impairment annually if events or changes in circumstances indicate the carrying value may not be recoverable. Changes in the expected useful life or the expected pattern of consumption of benefit shall be accounted for as a change in accounting estimate.

Notes to the financial statements (continued)

for the 52 weeks ended 29 June 2025

1. Accounting policies (continued)

Tangible fixed assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life. Such cost includes costs directly attributable to making the asset capable of operating as intended. The expected useful life is stipulated as follows:

Leasehold property	– over the lease term
Fixtures and fittings	– over 10 years or over the lease term
Equipment	– over 4 years

On completion of contracts to extend store leases, leasehold property assets are revalued to reflect the fair value based on a depreciated replacement cost approach. A revaluation surplus is recorded in other comprehensive income and credited to the asset revaluation surplus in equity.

Depreciation is provided on these assets at the revalued amount, less estimated residual value, of each asset evenly over its expected useful life. An annual transfer from the asset revaluation surplus to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

The carrying values of tangible fixed assets are reviewed for impairment annually if events or changes in circumstances indicate the carrying value may not be recoverable.

Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised on delivery of the goods to the customer.

Delivery service

Revenue from the delivery service provided to our customers is recognised on completion of the delivery of the goods.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis and comprises the purchase price of the goods and other directly attributable costs incurred in bringing the product to its present location and condition. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Cash

Cash comprises of cash at banks, cash in hand, restricted deposits held with financial institutions.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Income Statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Notes to the financial statements (continued)

for the 52 weeks ended 29 June 2025

1. Accounting policies (continued)

Provisions for liabilities

A provision is recognised when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation

The effect of the time value of money is not material and therefore the provisions are not discounted

Deferred taxation

Deferred tax is recognised in respect of all timing differences in relation to both taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantially enacted at the Statement of Financial Position date

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits

Foreign currencies

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date

The gain or loss arising on settlement or translation of monetary items are recognised in Income Statement

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item

Hedge accounting

The company uses derivative financial instruments such as forward currency contracts to hedge its risks associated with foreign currency. Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. For those derivatives designated as hedges and for which hedge accounting is desired, the hedging relationship is formally designated and documented at its inception. This documentation identifies the risk management objective and strategy for undertaking the hedge, the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how effectiveness will be measured throughout its duration. Such hedges are expected at inception to be highly effective in offsetting changes in cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the reporting period for which they were designated.

Notes to the financial statements (continued)

for the 52 weeks ended 29 June 2025

1. Accounting policies (continued)

Hedge accounting (continued)

For the purpose of hedge accounting, hedges are classified as

- a) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment, or
- b) Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction, or
- c) Hedges of a net investment in a foreign operation

A hedge of the foreign currency risk of a firm commitment is accounted for as a cash flow hedge. Any gains or losses arising from changes in the fair value of derivatives that do not qualify for hedge accounting are taken to the income statement.

Cash flow hedges

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised directly as other comprehensive income, while the ineffective portion is recognised in the income statement. Amounts taken to other comprehensive income are transferred to the income statement when the hedged transaction affects the income statement. If a forecast transaction is no longer expected to occur, amounts previously recognised in equity are transferred to the income statement. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in other comprehensive income remain in other comprehensive income until the forecast transaction occurs and are transferred to the income statement. If the related transaction is not expected to occur, the amount is taken to the income statement. The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecasted transactions and firm commitments.

Pension costs

The Company operates a defined contribution pension scheme for eligible employees. Eligibility is defined by length of service. Contributions are charged in the Income Statement as they become payable in accordance with the rules of the scheme.

Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company and hire purchase contracts are capitalised in the Statement of Financial Position and are depreciated over the shorter of the lease term and the asset's useful life. A corresponding liability is recognised for the lower of the fair value of the leased asset and the present value of the minimum lease payments in the Statement of Financial Position. Lease payments are apportioned between the reduction of the lease liability and finance charges in the Income Statement so as to achieve a constant rate of interest on the remaining balance of the liability.

Rentals payable under operating leases are charged in the income statement on a straight-line basis over the lease term.

New and re-launched stores pre-trading costs

The costs associated with the pre-trading period of new and re-launched stores are written off in the period in which they are incurred. This predominately includes pre-launch occupancy costs, personnel costs, training costs and marketing launch costs.

Notes to the financial statements (continued)

for the 52 weeks ended 29 June 2025

1. Accounting policies (continued)

Rent free periods and reverse premiums

During the course of opening new stores and re-gears of existing leases, operating leases are negotiated which may include rent-free periods and/or reverse premiums. Rent free periods and reverse premiums are amortised from the date of lease commencement on a straight-line basis to the end of the lease term.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in administrative expenses.

Financial liabilities

Financial Liabilities within the scope of FRS 102 are classified as financial liabilities at fair value through profit or loss or loans and borrowings. The Company determines the classification of financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs. Financial liabilities which includes equity options, are subsequently measured at fair value, unless the fair value cannot be determined reliably, in which case they are measured at cost.

Dividends

Dividends paid on ordinary shares are classified as equity and are recognised as distributions in equity.

Classification of shares as debt or equity

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Accordingly, a financial instrument is treated as equity if

- a) there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable, and
- b) the instrument is a non-derivative that contains no contractual obligations to deliver a variable number of shares or is a derivative that will be settled only by the company exchanging a fixed amount of cash or other assets for a fixed number of the company's own equity instruments.

When shares are issued, any component that creates a financial liability of the company is presented as a liability in the Statement of Financial Position, measured initially at fair value net of transaction costs and thereafter at amortised cost until extinguished on conversion or redemption. The corresponding dividends relating to the liability component are charged as interest expense in the income statement. The initial fair value of the liability component is determined using a market rate for an equivalent liability without a conversion feature. The remainder of the proceeds on issue is allocated to the equity component and included in shareholders' equity, net of transaction costs.

The carrying amount of the equity component is not re-measured in subsequent years. Transaction costs are apportioned between the liability and equity components of the shares based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

Notes to the financial statements (continued)

for the 52 weeks ended 29 June 2025

1. Accounting policies (continued)

Changes in accounting policies and disclosures

The Company re-assessed the accounting policy for cash in transit. Previously cash that was contractually obliged and in transit to the Company was reported with in cash. With effect from 29 June 2025 the Company has elected to include cash in transit to the Company in debtors, allowing for consistent treatment of both cash in transit to and from the Company. The Company has applied the change in policy prospectively.

The impact of this change in accounting policy on the financial statements is set out below

	29 June 2025	
	Debtors £000	Cash £000
Previous accounting policy	86,328	51,884
Cash in transit adjustment	3,551	(3,551)
Revised accounting policy (as reported)	89,879	48,333
	30 June 2024	
	Debtors £000	Cash £000
Previous accounting policy (as reported)	83,325	40,542
Cash in transit adjustment	3,492	(3,492)
Revised accounting policy	86,817	37,050

2. Revenue

Revenue, which is stated net of value added tax, represents the value of goods and services delivered and invoiced to customers. Turnover relates to one continuing activity, the retailing of household furniture within the United Kingdom.

3. Other operating income

	52 weeks ended 29 June 2025 £000	52 weeks ended 30 June 2024 £000
Concession income	3	1,103

Concession income is composed primarily of external rental income and is incidental to the Company's retail revenue.

4. Loss on disposal of fixed assets

	52 weeks ended 29 June 2025 £000	52 weeks ended 30 June 2024 £000
Loss on disposal of tangible and intangible assets	(3)	(400)

Notes to the financial statements (continued)

for the 52 weeks ended 29 June 2025

5. Profit before interest and tax

This is stated after charging

	52 weeks ended 29 June 2025 £000	52 weeks ended 30 June 2024 £000
Auditors' and associates' remuneration	204	199
Depreciation of owned assets	7,533	6,712
Amortisation of intangible assets	1,131	893
Operating lease rentals – Property	24,451	23,887
Operating lease rentals – Other	2,644	2,513

6. Auditor's remuneration

The remuneration of the auditor's or its associates is analysed as follows

	52 weeks ended 29 June 2025 £000	52 weeks ended 30 June 2024 £000
<i>Audit services</i>		
Audit of the financial statements	157	161
<i>Non-audit services</i>		
Taxation compliance services	47	38
Total audit and associates' remuneration	204	199

7. Directors' remuneration

	52 weeks ended 29 June 2025 £000	52 weeks ended 30 June 2024 £000
Aggregate remuneration in respect of qualifying services	3,065	2,055
Company contributions paid to money purchase pension schemes	93	61
Number of directors in respect of qualifying services	9	9
Members of money purchase pension scheme	8	8

The amounts in respect of the highest paid director were aggregate remuneration of £1,214k (52 weeks ended 30 June 2024 – £385k) and Company contributions paid to pension schemes of £nil (52 weeks ended 30 June 2024 – £nil). Directors' remuneration includes bonuses relating to the period in which they accrue, although these may be paid after the period end.

Notes to the financial statements (continued)

for the 52 weeks ended 29 June 2025

8 Staff costs

	52 weeks ended 29 June 2025 £000	52 weeks ended 30 June 2024 £000
Wages and salaries	61,833	54,670
Social security costs	7,363	6,009
Pension costs	2,371	2,133
	71,567	62,812

The average monthly number of employees during the period was as follows

	52 weeks ended 29 June 2025 £000	52 weeks ended 30 June 2024 £000
Office and management	140	142
Retailing and distribution	1,134	1,071
	1,274	1,213

9. Interest receivable and similar income

	52 weeks ended 29 June 2025 £000	52 weeks ended 30 June 2024 £000
Bank Interest	1,568	1,456

10. Interest payable and similar charges

	52 weeks ended 29 June 2025 £000	52 weeks ended 30 June 2024 £000
Dividends payable on non-equity preference shares to parent company	222	222
Other interest	90	92
	312	314

Preference dividends are paid solely to the parent company Furniture Village Group Limited, which holds 100% of the ordinary share capital of Furniture Village Limited

Notes to the financial statements (continued)

for the 52 weeks ended 29 June 2025

11. Tax

(a) Tax on profit/(loss) on ordinary activities

The tax is made up as follows

	52 weeks ended 29 June 2025 £000	52 weeks ended 30 June 2024 £000
<i>Current tax</i>		
UK corporation tax	3,449	3,457
Adjustment in respect of previous periods	(226)	(253)
Total current tax	3,223	3,204
<i>Deferred tax</i>		
Origination and reversal of timing differences		
Current period	26	(20)
Prior period	121	409
Total deferred tax (note 18)	147	389
Total tax per income statement	3,370	3,593
<i>Other comprehensive income items</i>		
Deferred tax current year charge	181	41
Deferred tax prior year charge	–	(60)
	181	(19)

(b) Factors affecting the current tax charge for the period

The charge for the period can be reconciled to the profit/(loss) per the income statement as follows

	52 weeks ended 29 June 2025 £000	52 weeks ended 30 June 2024 £000
Profit for the period	9,977	9,866
Tax on profit at standard UK tax rate of 25%	2,494	2,467
<i>Effects of</i>		
Expenses not deductible	1,019	996
Non-taxable income	(38)	(26)
Adjustment from previous periods	(105)	156
Tax charge for the period	3,370	3,593

Notes to the financial statements (continued)

for the 52 weeks ended 29 June 2025

12. Ordinary dividends on equity shares to parent company

	52 weeks ended 29 June 2025 £000	52 weeks ended 30 June 2024 £000
Dividends payable on ordinary shares to parent company	2,000	2,000

In the period £2,000k of equity dividends are payable to Furniture Village Group Limited for the ordinary shares (52 weeks ended 30 June 2024 – £2,000k). Ordinary dividends are paid solely for the funding of the parent company, Furniture Village Group Limited, which holds 100% of the ordinary share capital of Furniture Village Limited.

13 Intangible fixed assets

	Software £000	Website £000	Total £000
Cost			
At 1 July 2024	3,071	4,110	7,181
Additions	2,744	437	3,181
At 29 June 2025	5,815	4,547	10,362
Amortisation			
At 1 July 2024	1,860	3,357	5,217
Provided during the period	532	599	1,131
At 29 June 2025	2,392	3,956	6,348
Carrying amount at 29 June 2025	3,423	591	4,014
Carrying amount at 30 June 2024	1,211	753	1,964

During the year the Company capitalised internal software development costs of £2,404k (52 weeks ended 30 June 2024: nil). The project was still in production phase at year end and as such there is no amortisation charge.

Notes to the financial statements (continued)

for the 52 weeks ended 29 June 2025

14. Tangible fixed assets

	Leasehold Property £000	Fixtures and fittings £000	Equipment £000	Total £000
Cost or valuation				
At 1 July 2024	75,559	7,279	6,547	89,385
Additions	7,088	315	588	7,991
Disposals	(4)	(10)	(308)	(322)
Property revaluation	3,078	–	–	3,078
At 29 June 2025	85,721	7,584	6,827	100,132
Depreciation				
At 1 July 2024	48,718	4,677	3,715	57,110
Provided during the period	6,040	564	929	7,533
Disposals	(2)	(9)	(308)	(319)
At 29 June 2025	54,756	5,232	4,336	64,324
Carrying amount at 29 June 2025	30,965	2,352	2,491	35,808
Carrying amount at 30 June 2024	26,841	2,602	2,832	32,275

On completion of contracts to extend store leases, leasehold property assets are revalued to reflect the fair value based on replacement cost

15. Stocks

	29 June 2025 £000	30 June 2024 £000
Finished goods for resale	19,367	18,349

Finished goods for resale recognised as an expense in cost of sales for the period were £174,069k (52 weeks ended 30 June 2024 - £162,025k) The stock provision charge included in cost of sales for the 52 weeks ended 29 June 2025 was £640k (52 weeks ended 30 June 2024 - £557k)

16 Debtors

	29 June 2025 £000	30 June 2024 £000
Trade debtors	8,048	3,616
Other debtors	10	895
Prepayments	17,603	16,862
Owed by ultimate parent co - Furniture Village Holdings Ltd	64,218	61,952
	89,879	83,325

Notes to the financial statements (continued)

for the 52 weeks ended 29 June 2025

16. Debtors

All the trade debtors' amounts are due to be settled within 12 months

The trade debtors' provision related to bad debts, included in administrative expenses for the 52 weeks ended 29 June 2025 was £481k (52 weeks ended 30 June 2024 - £192k)

The intercompany balance owed to Furniture Village Limited is repayable on demand

17. Preference shares

	29 June 2025 £000	30 June 2024 £000
<i>Allotted, called up and fully paid</i>		
Cumulative preference shares of £1 (on which a total dividend of £96,000 is payable)		
- Number of shares - 1,400,000 (2020 - 1,400,000)	1,400	1,400
7.2% Cumulative redeemable preference shares of £1 each		
- Number of shares - 1,750,000 (2020 - 1,750,000)	1,750	1,750
	3,150	3,150

The cumulative redeemable preference shares were due to be redeemed by 31 December 2003. However, the parent company has exercised the right to roll this redemption date forward and has not specified a future redemption date. Dividends on preference shares are payable quarterly in arrears to the parent company. Furniture Village Group Limited has the right to redeem these preference shares and they are redeemable at par. Furniture Village Group Limited has stated it will not redeem these preference shares within the next period.

18. Provisions for liabilities

	Provision for dilapidations £000	Deferred tax £000	Total £000
At 30 June 2024	3,445	2,237	5,682
Increased provision during the current period	199	-	199
Deferred tax adjustment in respect of prior years	-	121	121
Deferred tax charged to the income statement	-	26	26
Deferred tax charged in other comprehensive income	-	181	181
At 29 June 2025	3,644	2,565	6,209

Deferred Tax provision is made up of timing differences between fixed assets realised through use.

Dilapidation provision is a provision made under the terms of the lease to restore the premises to the original condition. It was calculated based on expected costs to restore the premises we are leasing to the original condition, on expiry of the lease or should the lease be otherwise terminated by either party. All the lease expiry dates fall between one and seven years. The impact of discounting the dilapidation provision is not material.

Notes to the financial statements (continued)

for the 52 weeks ended 29 June 2025

18. Provisions for liabilities (continued)

The deferred tax consists of

	29 June 2025 £000	30 June 2024 £000
<i>Deferred tax liability</i>		
Payable within 12 months	1,446	1,291
Payable after 12 months	1,184	1,014
Total deferred tax liability	2,630	2,305
<i>Deferred tax assets</i>		
Recognition after 12 months	(65)	(68)
Total deferred tax asset	(65)	(68)
<i>Deferred tax liabilities</i>		
Fixed asset timing differences	2,630	2,305
Short term timing differences	(65)	(68)
Total deferred tax liability	2,565	2,237

19. Creditors: amounts falling due within one period

	29 June 2025 £000	30 June 2024 £000
Deposits on goods not yet delivered	20,242	19,261
Trade creditors	54,476	46,970
Corporation tax	1,664	2,277
Other taxes and social security costs	9,149	7,959
Other creditors and accruals	23,675	21,599
Owed to parent co - Furniture Village Group Limited	39,376	37,154
	148,582	135,220

The intercompany balance owed by Furniture Village Limited is repayable on demand

20. Issued equity share capital

	No	29 June 2025 £000	No	30 June 2024 £000
Allotted, called up and fully paid				
'A' ordinary shares of £1 each	150,000	150	150,000	150
'B' ordinary shares of £1 each	500,340	500	500,340	500
		650		650

All of the ordinary shares rank pari passu. The share premium reserve records the amount above the nominal value received for shares sold, less transactions costs

Notes to the financial statements (continued)

for the 52 weeks ended 29 June 2025

21 Asset revaluation reserve

	Total £000
At 2 July 2023	6,873
Revaluation of leasehold property	881
Credit on deferred tax arising on the revaluation reserve	19
Transfer from revaluation reserve to profit and loss reserve	(1,270)
At 30 June 2024	6,503
Revaluation of leasehold property	3,078
Charge on deferred tax arising on the revaluation reserve	(181)
Transfer from revaluation reserve to profit and loss reserve	(1,515)
At 29 June 2025	7,885

On completion of contracts to extend store leases, leasehold property assets are revalued to reflect the fair value based on a depreciated replacement cost approach. A revaluation surplus is recorded in other comprehensive income and credited to the asset revaluation surplus in equity.

An annual transfer from the asset revaluation surplus to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

22. Other reserves

	29 June 2025 £000	30 June 2024 £000
Fair value hedging instrument net of recycled gain/(losses)	(578)	(131)
	(578)	(131)

The hedge reserve recognises the deferred gain/loss of the fair value forward contracts until the hedged item impacts profit and loss.

23. Notes to the statement of cash flows

(a) Reconciliation of operating profit/(loss) to net cash inflow from operating activities

	52 weeks ended 29 June 2025 £000	52 weeks ended 30 June 2024 £000
Operating profit	8,724	9,124
Depreciation	7,533	6,712
Amortisation	1,131	893
Loss/(gain) on fair value hedge	99	(29)
Decrease/(increase) in stocks	(1,018)	1,357
Decrease/(increase) in non-intercompany debtors	(4,288)	(1,700)
(Decrease)/increase in non-intercompany creditors	11,406	(2,974)
Increase in intercompany debtors	(2,266)	(1,250)
Increase in intercompany creditors	2,222	2,222
Corporation tax paid	(3,836)	(3,063)
Net cash inflow from operating activities	19,707	11,292

Notes to the financial statements (continued)

for the 52 weeks ended 29 June 2025

23 Notes to the statement of cash flows (continued)

(b) Analysis of cash

	30 June 2024 £000	Cash flow £000	29 June 2025 £000
Cash	40,542	7,791	48,333

(c) Restricted cash

The cash and cash equivalent balance disclosed above and in the statement of cash flows includes £10,000k (52 weeks ended 30 June 2024 £10,000k) held by Cardnet Merchant Services Limited as security against customer payments received by the Company ahead of the fulfilment of customer orders

24. Capital commitments

There is no future committed capital expenditure not otherwise included in these financial statements (30 June 2024 £nil)

25. Pension arrangements

The Company operates a defined contribution pension scheme for eligible employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. Accrued contributions as at 29 June 2025 amounted to £357k (30 June 2024 £350k)

26 Operating leases

Operating lease commitments

In respect of leases, the following future minimum rentals payable under non-cancellable operating leases are as follows

	Land and buildings 29 June 2025 £000	Land and buildings 30 June 2024 £000	Other 29 June 2025 £000	Other 30 June 2024 £000
Operating leases which expire				
Within one period	24,980	23,905	2,150	2,293
In two to five periods	79,011	77,351	2,987	3,415
In over five periods	44,628	44,070	–	–
	148,619	145,326	5,137	5,708

Notes to the financial statements (continued)

for the 52 weeks ended 29 June 2025

27. Financial instruments

	29 June 2025 £000	30 June 2024 £000
<i>Financial liabilities at fair value (hedge accounting)</i>		
Forward foreign currency contracts	684	139

The company uses hedge accounting to reduce exposure to foreign exchange rates. Derivative financial instruments are initially measured at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value through other comprehensive income for the effective portion. The fair value of the forward currency contracts is calculated by reference to current forward exchange contracts with similar maturity profiles. The fair value is recycled through profit and loss as the hedged item impacts profit and loss. The fair value of forward contracts included with in profit and loss for the 52 weeks ended 29 June 2025 - £99k charge (52 weeks ended 30 June 2024 - £55k credit)

28. Related party transactions

Key management personnel

All directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Company are considered to be key management personnel.

As part of their employment the directors and employees can purchase goods from the company at a discount. The amount of goods purchased by the directors is not considered to be material either to the company or to the individuals. The discounts for the directors are on the same terms as those of all other employees. Loans comprise of the Business Growth Fund (related party) long term loan.

The company has taken advantage of the exemption allowed under FRS 102 'Related Party Disclosures', from disclosing transactions with related parties that are part of the Furniture Village Holdings Limited Group, as the company is a 100% subsidiary of a group whose financial statements are publicly available.

29. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Furniture Village Group Limited, registered in England and Wales.

In the directors' opinion, the company's ultimate parent undertaking and controlling party is Furniture Village Holdings Limited, registered in England and Wales. Group financial statements are prepared by Furniture Village Holdings Limited and are available from the registered office at 258 Bath Road, Slough, SL1 4DX.

30. Events subsequent to the Statement of Financial Position date

Since the Statement of Financial Position date, the Company has opened a new store in Elgar Retail Park in Worcester and the store is currently trading well ahead of expectations. In addition, we have successfully relocated to a new National Distribution Centre in Marston Gate, Bedford, and the site became fully operational in December 2025, providing considerable additional capacity for future growth.