Company registration number 09036310 (England and Wales)

A.M. London Fashion Ltd

Annual report and financial statements

For the year ended 31 May 2026

A.M. London Fashion Ltd

Company information

Directors	Mr S Mehan Ms A Mehan Mr D Tansil
Company number	09036310
Registered office	4th Floor Talbot Road Old Trafford Manchester England M16 0PQ
Auditor	DJH Audit Limited The Exchange 5 Bank Street Bury Lancashire BL9 0DN

A.M. London Fashion Ltd

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A.M. London Fashion Ltd

Strategic report

For the year ended 31 May 2026

The directors present the strategic report for the year ended 31 May 2026.

Principal activities

A.M. London Fashion Ltd is a premium fashion business specialising in the design, sourcing and retail of contemporary clothing and accessories. The Group operates primarily through a direct-to-consumer ("D2C") business model, supported by selected third-party online marketplaces and wholesale channels, serving customers across the United Kingdom and internationally.

The Group's strategy is centred on building a digitally enabled, customer-focused retail business through continued investment in technology, operational excellence, product development and customer experience.

Review of the business

The year represented an important stage in the Group's strategic development. Despite continued economic uncertainty, inflationary pressures and challenging consumer conditions across the retail sector, the Group continued to invest in the long-term capability of the business whilst maintaining its focus on sustainable growth.

Turnover for the year amounted to £63,705,919 (2025: £49,994,980) with profit before taxation of £3,040,071 (2025: £1,141,385).

Management remained focused on strengthening operational resilience, improving customer experience and investing in infrastructure capable of supporting the next phase of growth.

A significant achievement during the year was the transformation of the Group's logistics infrastructure. Following a strategic review of its fulfilment arrangements, the Board approved the consolidation of warehouse operations with a single logistics partner across the UK and Europe. This programme included the migration of both business-to-business ("B2B") and direct-to-consumer ("D2C") stock into integrated warehouse facilities supported by a common warehouse management system.

The consolidation of warehouse operations represents a significant strategic investment in the Group's future capability. It has improved inventory visibility, increased stock accuracy, simplified operational management and enhanced fulfilment capability across all sales channels.

The enhanced infrastructure also provides greater operational flexibility, including improved fulfilment capability, extended order processing capacity and improved customer service standards. The Directors believe these improvements provide a stronger platform for future growth.

Alongside the logistics transformation, the Group continued to integrate and modernise its operational systems across purchasing, inventory management, finance, sales and customer service. These improvements have streamlined internal processes, reduced manual intervention and enhanced the quality and accessibility of business information.

Operational Transformation

During the year, the Group undertook a significant operational transformation programme designed to improve scalability, efficiency and control across its activities.

The migration to a consolidated warehouse network has created a more efficient operating model, enabling the Group to manage stock more effectively across multiple sales channels. A single view of inventory allows improved forecasting, more efficient replenishment and better decision-making regarding purchasing and merchandising.

The Directors believe this transformation will deliver long-term benefits through improved inventory utilisation, reduced operational complexity and enhanced customer experience.

Technology and Digital Transformation

The Group has commenced a significant digital transformation programme designed to modernise its technology infrastructure and strengthen control over its growing multi-channel operations.

These systems will establish a single source of truth for operational, product and customer data across the business, replacing fragmented processes with an integrated technology platform.

The Directors believe these investments will materially improve operational efficiency through increased automation, enhanced reporting capabilities and improved decision-making whilst supporting future scalability.

The Group also recognises that the ability to identify and adopt appropriate artificial intelligence ("AI") technologies will become increasingly important to maintaining operational efficiency and competitiveness in the future. Management intends to continue evaluating opportunities to invest in AI across support functions, with particular focus on automating manual, repetitive and labour-intensive processes. The objective is to improve efficiency, reduce administrative burden, enhance the speed and quality of decision-making and enable employees to focus on higher-value activities, whilst ensuring that any implementation is appropriately controlled and aligned with the Group's wider technology and operational strategy.

The Group has also brought management of its online marketplace operations in-house, enabling direct commercial relationships with marketplace partners. This provides greater control over trading performance, merchandising, product content and customer experience whilst reducing reliance on third-party intermediaries.

Strategy

The Directors remain focused on delivering sustainable long-term growth through investment in technology, operational excellence and customer engagement.

The Group's strategic priorities are set out below.

Strengthening the Direct-to-Consumer Model

The Group's primary focus remains the continued growth of its direct-to-consumer business. Developing stronger direct relationships with customers provides greater control over the customer journey, improves profitability and generates valuable customer insight that supports informed commercial decision-making.

Whilst marketplace sales continue to form an important part of the Group's overall sales strategy, investment remains focused on increasing direct customer acquisition, improving retention and enhancing customer lifetime value.

Marketplace Growth Strategy

The Group continues to pursue a disciplined marketplace expansion strategy to complement the growth of its direct-to-consumer business.

Investment in integrated marketplace technology reduces the operational complexity associated with launching new sales channels and enables the Group to connect with additional domestic and international marketplaces more efficiently.

Whilst the United Kingdom remains the Company's core market, the Directors recognise the significant growth opportunities available within international markets. The Group has continued to invest in its European marketplace presence, where early trading performance has been encouraging.

The Board believes that the scalable technology infrastructure being implemented provides the foundation for measured expansion across additional European marketplaces whilst maintaining operational control and customer service standards.

Data Enrichment and Customer Insight

A key strategic objective is to establish a single source of truth for customer and operational data.

The Group's technology investments will consolidate customer interactions across all channels, allowing the business to build richer customer profiles and generate enhanced commercial insight.

These capabilities will support increasingly personalised marketing activity, improved merchandising decisions and more targeted product development, ultimately enhancing customer satisfaction and strengthening long-term customer relationships.

Operational Excellence

The combination of warehouse consolidation, technology investment and increased automation provides a significantly stronger operational platform for future expansion.

Management will continue to optimise stock management, purchasing processes and fulfilment operations to improve efficiency whilst maintaining high service standards.

The Directors believe these investments reduce operational risk and provide the capability required to support profitable long-term growth.

Principal risks and uncertainties

Consumer Spending

Demand within the fashion sector continues to be influenced by economic conditions, inflation and consumer confidence.

The Group mitigates this risk through careful inventory planning, flexible sourcing arrangements and maintaining a differentiated product offering.

Supply Chain

Global supply chain disruption, freight costs and geopolitical uncertainty continue to present operational risks.

The Group maintains strong supplier relationships, diversified sourcing arrangements and ongoing monitoring of stock requirements to minimise disruption.

Technology

As the business becomes increasingly technology driven, maintaining reliable, secure and resilient systems remains critical.

The Group continues to invest in cyber security, business continuity planning and robust technology infrastructure.

Stock Management

Effective stock management remains fundamental to profitability.

The Group's integrated warehouse model and enhanced systems capability significantly strengthen stock control, forecasting accuracy and operational efficiency.

Competitive Market

The online fashion market remains highly competitive.

The Group continues to differentiate itself through product quality, customer service, operational excellence and investment in technology that enhances the customer experience.

Key performance indicators

	2026 **£'000s**	**2025** **£'000s**
Turnover	63,706	49,995
Gross Profit	36,437	23,704
EBITDA	3,302	1,281

Future Outlook

The Directors believe the investments undertaken during the year represent a transformational step in the Group's development.

The combination of consolidated warehouse operations, integrated technology platforms, direct marketplace relationships and enhanced customer data capabilities provides a significantly stronger operational foundation than has previously existed.

During the coming year, management's priorities will include completing the implementation of the new ERP platform, maximising the benefits of warehouse consolidation and further strengthening the Group's direct-to-consumer proposition.

Particular emphasis will be placed on improving customer insight through enhanced data capabilities, enabling more personalised customer engagement and supporting better commercial decision-making.

The Directors expect these investments to improve inventory utilisation, accelerate stock turn, strengthen cash generation, enhance customer experience and support sustainable profitable growth over the medium term.

Whilst recognising the continuing challenges within the retail environment, the Board remains confident that the infrastructure established during the year positions the Group well to scale efficiently, respond quickly to changing customer demand and continue strengthening its position within both the UK and international fashion markets.

Section 172 statement

The Directors have acted in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole whilst having regard to the interests of employees, customers, suppliers and other stakeholders.

During the year the Board continued to invest significantly in infrastructure, technology and operational capability. The warehouse consolidation programme, systems integration initiatives and implementation of the Group's new ERP platform demonstrate the Directors' commitment to building a resilient, scalable business capable of delivering sustainable long-term value.

The Board continues to engage regularly with employees, suppliers and customers to ensure decisions support the Group's long-term strategic objectives whilst maintaining high standards of service, product quality and operational excellence.

The Directors believe these investments position the Group strongly for continued growth whilst enhancing customer experience and strengthening relationships with all stakeholders.

On behalf of the board

Mr D Tansill
Director

14 September 2026

A.M. London Fashion Ltd

Directors' report

For the year ended 31 May 2026

The directors present their annual report and financial statements for the year ended 31 May 2026.

Results and dividends
The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

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

Mr S Mehan
Ms A Mehan
Mr D Tansill

Auditor
DJH Audit Limited has indicated its willingness to be reappointed for another term and appropriate arrangements are being made for it to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 group and parent company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and 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 also responsible for safeguarding the assets of the group and parent company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

On behalf of the board

Mr D Tansill
Director

14 September 2026

A.M. London Fashion Ltd

Independent auditor's report

To the members of A.M. London Fashion Ltd

Opinion
We have audited the financial statements of A.M. London Fashion Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 May 2026 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 May 2026 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the group's and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or parent company or to cease operations, or have no realistic alternative but to do so.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We considered the nature of the industry and sector in which the group operates; the control environment and business performance including key drivers for director's remuneration, bonus levels and performance targets.
- We enquired of management the systems and controls the group has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The group did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the group.
- Using our knowledge of the group, together with the discussions held with the group at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.
- We considered the legal and regulatory framework in which the group operates, particularly those laws and regulations which have a direct effect on the financial statements, such as the Companies Act 2006, pension and tax legislation, or those which had a fundamental effect on the operations of the group, including General Data Protection requirements, Anti-bribery and Corruption.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular, the estimation of the useful economic life of fixed assets, the level of provision required for impairment of stock, the level of provision required for bad and doubtful debts and categorising leases as finance or operating leases.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations in particular those that are central to the entity's ability to continue in operation.
- Testing key turnover lines, in particular cut-off and walk-through, for evidence of management bias.
- Performing a physical verification of key assets.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant intercompany balances and transactions.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the directors.

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

Use of our report

This report is made solely to the parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent company's members those matters we are required to state to them in an 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Richard Bell (Senior Statutory Auditor)
For and on behalf of DJH Audit Limited, Statutory Auditor
Accountants
The Excharge
5 Bank Street
Bury
Lancashire
BL9 0DN

14 September 2026

A.M. London Fashion Ltd

Group statement of comprehensive income

For the year ended 31 May 2026

	Notes	2026 £	2025 £
Turnover	**3**	63,705,919	49,994,980
Cost of sales		(27,269,208)	(26,290,566)
Gross profit		36,436,711	23,704,414
Distribution costs		(23,620,131)	(14,455,871)
Administrative expenses		(9,584,158)	(8,113,502)
Operating profit	**4**	3,232,422	1,135,041
Interest receivable and similar income		-	65,449
Interest payable and similar expenses	**7**	(59,038)	(59,105)
Profit before taxation		3,173,384	1,141,385
Tax on profit	**8**	(133,313)	(120,786)
Profit for the financial year		3,040,071	1,020,599
Other comprehensive income			
Currency translation (loss)/gain arising in the year		(15,148)	2,947
Total comprehensive income for the year		3,024,923	1,023,546

Profit for the financial year is all attributable to the owners of the parent company.
Total comprehensive income for the year is all attributable to the owners of the parent company.

A.M. London Fashion Ltd

Group Balance sheet

As at 31 May 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Intangible assets			4,997		2,765
Tangible assets	**10**		139,803		110,572
			144,800		113,337
Current assets					
Stocks	**13**	7,922,683		5,958,908	
Debtors	**14**	14,495,002		11,790,990	
Cash at bank and in hand		2,133,901		948,510	
		24,551,586		18,698,408	
Creditors: amounts falling due within one year	**15**	(18,735,514)		(15,865,390)	
Net current assets			5,816,072		2,833,018
Total assets less current liabilities			5,960,872		2,946,355
Creditors: amounts falling due after more than one year	**16**		-		(16,576)
Provisions for liabilities					
Deferred tax liability	**18**	6,170		-	
			(6,170)		-
Net assets			5,954,702		2,929,779
Capital and reserves					
Called up share capital	**20**		200		200
Other reserves			(9,919)		5,229
Profit and loss reserves			5,964,421		2,924,350
Total equity			5,954,702		2,929,779

These financial statements have been prepared in accordance with the provisions relating to medium-sized groups.

The financial statements were approved by the board of directors and authorised for issue on 14 September 2026 and are signed on its behalf by:

Mr D Tansill
Director

Company registration number 09036310 (England and Wales)

A.M. London Fashion Ltd

Company Balance Sheet

As at 31 May 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Intangible assets	**9**		4,997		2,765
Tangible assets	**10**		139,803		110,572
Investments	**11**		850		850
			145,650		114,187
Current assets					
Stocks	**13**	7,877,927		5,915,355	
Debtors	**14**	14,369,899		11,720,858	
Cash at bank and in hand		2,133,062		947,783	
		24,380,888		18,583,996	
Creditors: amounts falling due within one year	**15**	(18,464,343)		(15,625,786)	
Net current assets			5,916,545		2,958,210
Total assets less current liabilities			6,062,195		3,072,397
Creditors: amounts falling due after more than one year	**16**		-		(16,576)
Provisions for liabilities					
Deferred tax liability	**18**	6,170		-	
			(6,170)		-
Net assets			6,056,025		3,055,821
Capital and reserves					
Called up share capital	**20**		200		200
Profit and loss reserves			6,055,825		3,055,621
Total equity			6,056,025		3,055,821

As permitted by section 408 of the Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £3,000,204 (2025 - £873,932 profit).

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 14 September 2026 and are signed on its behalf by:

Mr D Tansill
Director

Company registration number 09036310 (England and Wales)

A.M. London Fashion Ltd

Group statement of changes in equity

For the year ended 31 May 2026

	Share capital	Currency translation reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 June 2024	200	2,282	1,903,751	1,906,233
Year ended 31 May 2025:				
Profit for the year	-	-	1,020,599	1,020,599
Other comprehensive income:				
Currency translation differences	-	2,947	-	2,947
Total comprehensive income	-	2,947	1,020,599	1,023,546
Balance at 31 May 2025	200	5,229	2,924,350	2,929,779
Year ended 31 May 2026:				
Profit for the year	-	-	3,040,071	3,040,071
Other comprehensive income:				
Currency translation differences	-	(15,148)	-	(15,148)
Total comprehensive income	-	(15,148)	3,040,071	3,024,923
Balance at 31 May 2026	200	(9,919)	5,964,421	5,954,702

A.M. London Fashion Ltd

Company statement of changes in equity

For the year ended 31 May 2026

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 June 2024	200	2,181,689	2,181,889
Year ended 31 May 2025:			
Profit and total comprehensive income for the year	-	873,932	873,932
Balance at 31 May 2025	200	3,055,621	3,055,821
Year ended 31 May 2026:			
Profit and total comprehensive income	-	3,000,204	3,000,204
Balance at 31 May 2026	200	6,055,825	6,056,025

A.M. London Fashion Ltd

Group statement of cash flows

For the year ended 31 May 2026

	Notes	2026		2025	
		£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	25		(405,793)		696,884
Income taxes (paid)/refunded			(560,101)		97,860
Net cash (outflow)/inflow from operating activities			(965,894)		794,744
Investing activities					
Purchase of intangible assets		(3,538)		-	
Purchase of tangible fixed assets		(97,232)		(54,844)	
Interest received		-		65,449	
Net cash (used in)/generated from investing activities			(100,770)		10,605
Financing activities					
Amounts introduced by directors		5,894,509		-	
Amounts drawn by directors		(2,297,025)		(1,049,048)	
Repayment of bank loans		(1,040,745)		540,834	
Payment of finance leases obligations		-		(184,161)	
Interest paid		(59,038)		(59,105)	
Net cash generated from/(used in) financing activities			2,497,701		(651,480)
Net increase in cash and cash equivalents			1,431,037		153,869
Cash and cash equivalents at beginning of year			702,864		548,995
Cash and cash equivalents at end of year			2,133,901		702,864
Relating to:					
Cash at bank and in hand			2,133,901		948,510
Bank overdrafts included in creditors payable within one year			-		(245,646)

A.M. London Fashion Ltd

Notes to the group financial statements

For the year ended 31 May 2026

1 Accounting policies

Company information

A.M. London Fashion Ltd ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 4th Floor Talbot Road, Old Trafford, Manchester, England, M16 0PQ.

The group consists of A.M. London Fashion Ltd and all of its subsidiaries.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company A.M. London Fashion Ltd together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 May 2026. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

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

1.3 Going concern

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

1.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the turnover can be reliable measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes with all turnover wholly undertaken in England and Wales. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1 Accounting policies **(Continued)**

1.5 Intangible fixed assets other than goodwill

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

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

Patents, trademarks & licences	4 years

1.6 Tangible fixed assets

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

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

Fixtures and fittings	25% straight line
Motor vehicles	33% straight line

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

The residual values, estimated useful lives and depreciation method of tangible fixed assers are reviewed, and adjusted as appropriate, at each statement of financial position date. The effects of any revision are recognised in the income statement when the change arises.

1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

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

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

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

1 Accounting policies **(Continued)**

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

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

1.10 Cash and cash equivalents

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

1.11 Financial instruments

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

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

1 Accounting policies **(Continued)**

Other financial assets

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

Impairment of financial assets

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

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

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

Derecognition of financial assets

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

Classification of financial liabilities

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

Basic financial liabilities

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

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

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

1 Accounting policies **(Continued)**

Other financial liabilities

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

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.12 Equity instruments

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

1.13 Taxation

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

Current tax

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

Deferred tax

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

1.14 Provisions

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

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

1 Accounting policies **(Continued)**

1.15 Employee benefits

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

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

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

1.16 Retirement benefits

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administrated funds.

1.17 Foreign exchange

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

2 Judgements and key sources of estimation uncertainty

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

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

Estimating the useful economic life of an asset and the anticipated residual value are considered the key judgement in calculating an appropriate depreciation charge.

Making judgement based on historical experience on the level of provision required for impairment of stock.

Estimating the recoverability of trade receivables is considered key in calculating the bad debt provision at the year end.

In categorising leases as finance or operating leases, the directors make judgements as to whether significant risks and rewards of ownership have transferred to the company as lessee.

3 Turnover and other revenue

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the England and Wales.

3 Turnover and other revenue (Continued)

	2026	2025
	£	£
Turnover analysed by geographical market		
United Kingdom	53,286,884	42,494,536
Europe	8,489,740	2,890,087
Rest of the world	1,929,295	4,610,357
	63,705,919	49,994,980

	2026	2025
	£	£
Other revenue		
Interest income	-	65,449

4 Operating profit

	2026	2025
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	421,673	(65,583)
Fees payable to the group's auditor for the audit of the group's financial statements	25,000	27,500
Depreciation of tangible fixed assets	68,001	134,718
Amortisation of intangible assets	1,306	11,040

5 Employees

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

	Group		Company	
	2026	2025	2026	2025
	Number	Number	Number	Number
Administrative staff	83	70	83	70

5 Employees **(Continued)**

Their aggregate remuneration comprised:

	Group		Company	
	2026	2025	2026	2025
	£	£	£	£
Wages and salaries	4,043,972	3,905,177	4,043,972	3,905,177
Social security costs	463,476	321,237	463,476	321,237
Pension costs	105,185	62,616	105,185	62,616
	4,612,633	4,289,030	4,612,633	4,289,030

6 Directors' remuneration

	2026	2025
	£	£
Remuneration for qualifying services	523,600	523,667

Remuneration cisclosed above includes the following amounts paid to the highest paid director:

	2026	2025
	£	£
Remuneration for qualifying services	493,500	493,500
Company pension contributions to defined contribution schemes	6,440	1,761

7 Interest payable and similar expenses

	2026	2025
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	13,424	21,162
Other finance costs:		
Other interest	45,614	37,943
Total finance costs	59,038	59,105

8 Taxation

	2026	2025
	£	£
Current tax		
UK corporation tax on profits for the current period	642,495	133,771
Adjustments in respect of prior periods	(515,352)	-
Total current tax	127,143	133,771

8 Taxation **(Continued)**

	2026	2025
	£	£
Deferred tax		
Origination and reversal of timing differences	6,170	(12,985)
Total tax charge	133,313	120,786

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

	2026	2025
	£	£
Profit before taxation	3,173,384	1,141,385
Expected tax charge based on the standard rate of corporation tax in the UK of 25% (2025: 25%)	793,346	285,346
Effects of:		
Expenses that are not deductible in determining taxable profit	18,858	27,238
Income not taxable in determining taxable profit	(171,365)	-
Adjustments in respect of prior years	(515,352)	-
Permanent capital allowances in excess of depreciation	11,575	17,499
Research and development tax credit	-	(159,645)
Deferred tax adjustments in respect of prior years	6,170	(12,985)
Unrelieved profit/ (loss) on foreign subsidiaries	(9,919)	(36,667)
Taxation charge in the financial statements	133,313	120,786

9 Intangible fixed assets

Group	Patents, trademarks & licences
	£
Cost	
At 1 June 2025	49,203
Additions	3,538
At 31 May 2026	52,741
Amortisation and impairment	
At 1 June 2025	46,438
Amortisation charged for the year	1,306
At 31 May 2026	47,744

9	Intangible fixed assets	(Continued)
	Carrying amount	
	At 31 May 2026	4,997
	At 31 May 2025	2,765

	Company	Patents, trademarks & licences £
	Cost	
	At 1 June 2025	49,203
	Additions	3,538
	At 31 May 2026	52,741
	Amortisation and impairment	
	At 1 June 2025	46,438
	Amortisation charged for the year	1,306
	At 31 May 2026	47,744
	Carrying amount	
	At 31 May 2026	4,997
	At 31 May 2025	2,765

10 Tangible fixed assets

Group	Fixtures and fittings	Motor vehicles	Total
	£	£	£
Cost			
At 1 June 2025	687,801	73,563	761,364
Additions	97,232	-	97,232
At 31 May 2026	785,033	73,563	858,596
Depreciation and impairment			
At 1 June 2025	577,229	73,563	650,792
Depreciation charged in the year	68,001	-	68,001
At 31 May 2026	645,230	73,563	718,793
Carrying amount			
At 31 May 2026	139,803	-	139,803
At 31 May 2025	110,572	-	110,572

Company	Fixtures and fittings	Motor vehicles	Total
	£	£	£
Cost			
At 1 June 2025	687,801	73,563	761,364
Additions	97,232	-	97,232
At 31 May 2026	785,033	73,563	858,596
Depreciation and impairment			
At 1 June 2025	577,229	73,563	650,792
Depreciation charged in the year	68,001	-	68,001
At 31 May 2026	645,230	73,563	718,793
Carrying amount			
At 31 May 2026	139,803	-	139,803
At 31 May 2025	110,572	-	110,572

11 Fixed asset investments

	Notes	Group 2026 £	Group 2025 £	Company 2026 £	Company 2025 £
Investments in subsidiaries	12	-	-	850	850

Movements in fixed asset investments

Company	Shares in subsidiaries £
Cost or valuation	
At 1 June 2025 and 31 May 2026	850
Carrying amount	
At 31 May 2026	850
At 31 May 2025	850

12 Subsidiaries

Details of the company's subsidiaries at 31 May 2026 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
A.M. London BV	Zenevaar, Netherlands	Ordinary	100.00

The principle activity of A.M. London BV is to design, source and sell quality clothing in the fashion sector at a competitive price through wholesale.

13 Stocks

	Group		Company	
	2026	2025	2026	2025
	£	£	£	£
Finished goods and goods for resale	7,922,683	5,958,908	7,877,927	5,915,355

14 Debtors

	Group		Company	
	2026	2025	2026	2025
Amounts falling due within one year:	£	£	£	£
Trade debtors	7,677,996	6,516,204	7,551,882	6,393,253
Corporation tax recoverable	715,757	715,757	715,757	715,757
Amounts owed by other related parties	-	-	-	61,981
Other debtors	5,512,608	3,491,693	5,513,746	3,482,531
Prepayments and accrued income	588,641	1,062,011	588,514	1,062,011
	14,495,002	11,785,665	14,369,899	11,715,533
Amounts falling due after more than one year:				
Deferred tax asset (note 18)	-	5,325	-	5,325
Total debtors	14,495,002	11,790,990	14,369,899	11,720,858

15 Creditors: amounts falling due within one year

	Notes	Group 2026 £	Group 2025 £	Company 2026 £	Company 2025 £
Bank loans and overdrafts	17	16,666	1,286,481	16,666	1,286,481
Trade creditors		2,881,709	3,409,751	2,801,770	3,305,184
Corporation tax payable		548,017	986,300	548,017	986,300
Other taxation and social security		1,249,783	771,209	1,233,126	755,185
Other creditors		9,497,421	7,738,052	9,341,909	7,637,589
Accruals and deferred income		4,541,918	1,673,597	4,522,855	1,655,047
		18,735,514	15,865,390	18,464,343	15,625,786

Invoice discounting facilities are secured on the trade debts to which they relate.

Bank facilities, including overdrafts, are secured by way of a fixed and floating charge over the Group's assets.

Trade credit facility is secured against the stock to which it relates.

The bank loan was obtained under the Coronavirus Business Interruption Loan scheme, secured by the Government. The loan is for a 6 year term and carries interest at a rate of 3.99% per annum over the Bank of England Base Rate.

16 Creditors: amounts falling due after more than one year

	Notes	Group 2026 £	Group 2025 £	Company 2026 £	Company 2025 £
Bank loans and overdrafts	17	-	16,576	-	16,576

The bank loan was obtained under the Coronavirus Business Interruption Loan scheme, secured by the Government. The loan is for a 6 year term and carries interest at a rate of 3.99% per annum over the Bank of England Base Rate.

17 Loans and overdrafts

	Group		Company	
	2026	2025	2026	2025
	£	£	£	£
Bank loans	16,666	1,057,411	16,666	1,057,411
Bank overdrafts	-	245,646	-	245,646
	16,666	1,303,057	16,666	1,303,057
Payable within one year	16,666	1,286,481	16,666	1,286,481
Payable after one year	-	16,576	-	16,576

Details, terms and security of the loan is disclosed in notes 16 and 17.

18 Deferred taxation

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

Group	Liabilities 2026 £	Liabilities 2025 £	Assets 2026 £	Assets 2025 £
Accelerated capital allowances	6,170	-	-	5,325

Company	Liabilities 2026 £	Liabilities 2025 £	Assets 2026 £	Assets 2025 £
Accelerated capital allowances	6,170	-	-	5,325

Movements in the year:	Group 2026 £	Company 2026 £
Asset at 1 June 2025	(5,325)	(5,325)
Charge to profit or loss	11,495	11,495
Liability at 31 May 2026	6,170	6,170

19 Retirement benefit schemes

Defined contribution schemes	2026 £	2025 £
Charge to profit or loss in respect of defined contribution schemes	94,551	60,855

Included within creditors due within one year is a balance of £41,625 (2025: 28,358) in respect of contributions collected but not yet paid over to the pension scheme.

20 Share capital

Group and company Ordinary share capital Issued and fully paid	2026 Number	2025 Number	2026 £	2025 £
Ordinary shares of £1 each	200	200	200	200

21 Reserves

Foreign exchange reserve

The foreign exchange reserve relates to retrarslation gains or losses on the consolidation of foreign subsidiaries.

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

22 Contingent liabilities

At the year end, letters of credit are in place for goods that have not yet been shipped at the year end totalling £2,272,429 (2025: £2,942,942).

23 Operating lease commitments

As lessee

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

	Group		Company	
	2026	2025	2026	2025
	£	£	£	£
Within 1 year	171,133	160,156	171,133	160,156
Years 2-5	841,990	487,057	841,990	487,057
	1,013,123	647,213	1,013,123	647,213

24 Related party transactions

Transactions with related parties
Directors' advances

Included within other creditors due within one year is a loan due from a director, amounting to £427,675 (2025: £3,169,809 debtor). Net amounts repaid during the year totalled £3,597,485. There are no terms and conditions associated with this balance. The maximum amount outstanding during the year was £3,342,484.

Related Companies
During the period, the Group incurred costs totalling £249,527 (2025: £249,527) with companies under common control.

Included within other creditors are amounts due from the Group to a company under common control of £ 1,000,000 (2025: £1,000,000). Included within other debtors are amounts due to the Group from companies under common control of £29,456 (2025: £7,409).

All of the above transactions have been performed on an arm's length basis.

Included within other debtors is a loan totaling £245,206 to a company under common control. There are no terms and conditions associated with this loan.

The directors have chosen not to disclose transactions entered into with other companies wholly owned within the group as permitted under FRS 102 paragraph 33.1A.

25 Cash (absorbed by)/generated from group operations

	2026	2025
	£	£
Profit after taxation	3,040,071	1,020,599
Adjustments for:		
Taxation charged	133,313	120,786
Finance costs	59,038	59,105
Investment income	-	(65,449)
Amortisation and impairment of intangible assets	1,306	11,040
Depreciation and impairment of tangible fixed assets	68,001	134,718
Foreign exchange gains on cash equivalents	(15,148)	2,947
Movements in working capital:		
Increase in stocks	(1,963,775)	(2,450,162)
Increase in debtors	(5,879,146)	(2,584,736)
Increase in creditors	4,150,547	4,448,036
Cash (absorbed by)/generated from operations	(405,793)	696,884

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

	1 June 2025	Cash flows	Exchange rate movements	31 May 2026
	£	£	£	£
Cash at bank and in hand	948,510	1,170,243	15,148	2,133,901
Bank overdrafts	(245,646)	245,646	-	-
	702,864	1,415,889	15,148	2,133,901
Borrowings excluding overdrafts	(1,057,411)	1,040,745	-	(16,666)
	(354,547)	2,456,634	15,148	2,117,235

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.