

Company registration number 02886196 (England and Wales)

**YOURS CLOTHING LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 29 JANUARY 2023**

# YOURS CLOTHING LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr A R Killingsworth Ms A Heather Mr S Hatteea
<b>Secretary</b>	Mr D Preece
<b>Company number</b>	02886196
<b>Registered office</b>	Newcombe House Bakewell Road Orton Southgate Peterborough PE2 6XU
<b>Auditor</b>	Ensors Accountants LLP Victory House Vision Park Chivers Way Histon CB24 9ZR

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# **YOURS CLOTHING LIMITED**

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# YOURS CLOTHING LIMITED

## STRATEGIC REPORT

**FOR THE PERIOD ENDED 29 JANUARY 2023**

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The directors present the strategic report for the period ended 29 January 2023.

### Fair review of the business

The Directors are pleased with the performance of the business. Sales across the business increased and have remained strong, resulting in overall sales for the period increasing by 34% (2022: increasing 74%) and Gross margin % decreasing by 1.5% to 60.6% (2022: 62.1%). There are ongoing pressures in relation to sourcing materials and increased costs relating to transport as a result of both Brexit, Covid-19 pandemic and inflation. As a Company, the directors are continuing to work with business partners in our supply chain and are maintaining a tight control of costs both in stock purchases and elsewhere in company expenditure.

We have plans to continue to enhance our online offerings, improve the customer shopping experience, both online and in store, and to focus on delivering our key services where customers want it the most. We have enhanced our Brand portfolio and launched our Petites range Pixie Girl in May 2022, we launched M&Co online in June 2023 and acquired the Evans brand in August 2023. We aim to launch high street stores in the Autumn for M&Co and to continually assess high street opportunities.

### Principle risks and uncertainties

#### Brexit and Covid 19

Uncertainties and complications relating to Brexit have inevitably impacted upon the Company. Brexit was a significant event for the country, the implications of which continue today. The Company has reviewed the effects to date and addressed ongoing trading relationships.

- We have many EU based customers and we anticipate they will remain good customers and will continue to grow in numbers with us.
- We have a significant number of EU nationals working for the company who we welcome and trust they will remain loyal to the company.
- We believe we can work around any friction in the delivery of our sales to offer a competitive service.
- Of material impact to the Company will be the fluctuation in exchange rates consequent from any specific course of Brexit action. Of key concern to the Company is US\$ price and as necessary we continue to take all reasonable steps to mitigate the risk with forward currency contracts.

The Company is monitoring the impact and potential requirements of these risks and is well placed with its multi-channel distribution offering and localised sourcing opportunities. We anticipate being able to react and mitigate where possible.

#### Inflation

The company is monitoring the effect of inflationary increases in costs for consumers, our product is competitively priced and we are committed to providing value for money.

#### Change in adopted accounting standards

The commercial decision was taken to adopt the UK accounting standard FRS 102 over the previously adopted International Financial Reporting Standards ('IFRS'). This is to align the statutory financial statements more closely with the commercial operation of the business.

The main impact of the change in adopted standards relates to the derecognitions of Lease commitments and Right of Use assets previously recognised in accordance with IFRS 16 Leases. The full impact of the change in adopted standards is outlined in more detail in note 27.

#### The future of the high street

As a result of the changing high street, we are actively revisiting all leases with the objective of achieving a sustainable operating environment in conjunction with the landlords. We are moving towards a more equal risk-based approach where rent is dependent upon store performance and the ability to end arrangements, without prolonged commitment, is incorporated into the lease. The new approach is creating a more streamlined business which allows us to maintain a high street presence which otherwise may not have been viable if the Company was subject to potentially onerous long term lease commitments.

# YOURS CLOTHING LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE PERIOD ENDED 29 JANUARY 2023**

### Development and performance

We are pleased with the performance of the brands within the Yours Clothing portfolio, including Bad Rhino and Long Tall Sally. Existing brands have performed well in the challenging environment of Brexit and Covid-19 whilst new brands have achieved a promising start. The addition of Pixie Girl in May 2022 further added to the portfolio and has made a very promising start. The Company has launched M&Co online in June 2023, anticipates opening stores in Autumn 2023 and has acquired the Evans Brand in August 2023.

The challenging nature of high street retail and our move towards a more equal risk-based approach on leases has resulted in the closure of 13 (2022: 33) stores. Since the period end, we have closed a further 3 stores but we are actively working towards opening new stores and in conjunction with our new Brand M&Co.

In addition:

- The development of distribution partners both wholesale and affiliate have been a key focus for 22/23 and this is continuing into 23/24 to allow new reach for our offering.
- The Company believes in profitable trading on the high street and to support this has developed the ability to despatch online orders from stores.

### Key performance indicators

Our key performance indicators used in the management of the business continue to be turnover, gross margin, stock holding, overhead cost percentage and employee headcount.

KPI	2023	2022	Variance	Commentary
Turnover	233,771,190	174,204,772	+34.2%	See the above fair review of the business
Gross margin	60.6%	62.1%	-1.5%	See the above fair review of the business
Stock holding	24,444,462	16,943,602	+44%	Increase to support increased trading activities
Overhead cost %	39.8%	39.2%	+0.6%	Inline with prior period
Headcount	957	835	+15%	Increased trading and brand activity

# **YOURS CLOTHING LIMITED**

## **STRATEGIC REPORT (CONTINUED)**

***FOR THE PERIOD ENDED 29 JANUARY 2023***

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### **Section 172 statement**

The directors recognise their duties under section 172(1) (a) to (f) of the Companies Act 2006 and at all times act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole for the long term.

We have built and maintain strong relationships with our customers, suppliers and producers. We recognise that the ongoing relationship with our customers and key business partners are key to the success of our ongoing business. We therefore enter into dialogue with those parties and work with them wherever practical and mutually beneficial. We operate a customer service call centre with email feedback opportunities to engage with our customers and we have dedicated supplier service managers. In doing so we like to maintain our business standards to the highest ethical standards complying with rules and regulations not just in the UK, but also in the jurisdictions in which we operate throughout the world.

We are strong advocates in supporting the community locally and further afield. Support for charitable causes this year has included fundraising in support of the crisis in Ukraine with the backing of the British Red Cross and an ongoing community partnership with Barnados to support local families in need of assistance to cover emergency needs. This is in addition to supporting national fund raising drives for charities selected by its employees as well as being a bronze award holder for the level of charitable contributions donated to the charities trust through the company assisted payroll giving scheme.

Understanding and clear communication remains key to our relationship with our Bankers and professional advisors, together they offer valued experienced guidance.

We are an equal opportunity employer and continue to invest in our people and their working conditions. We increased our standards of cleaning and introduced additional measures to help protect our staff and any other individuals, from the impact of the recent pandemic. We look to continue to improve employee conditions with the development of additional warehouse space which contains improved staff facilities and working conditions in the new financial year. We seek to identify training and development opportunities and support staff where possible to progress in their employment within the organisation. We offer a confidential employee support service and remain committed to good human relations and working practices in all areas of our business.

We endeavour to minimise our impact upon the environment and to contribute positively wherever possible. We recycle all plastics and cardboard throughout our stores, warehouse and offices. We utilise Hybrid cars to reduce emission as well as having installed solar panels which supply non-polluting electricity back to the National Grid. The Company actively follows up on our Energy Savings Opportunity Scheme (ESOS) Reports.

By order of the board

Ms A Heather  
**Director**

31 August 2023

# YOURS CLOTHING LIMITED

## DIRECTORS' REPORT

### FOR THE PERIOD ENDED 29 JANUARY 2023

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The directors present their annual report and financial statements for the 52 week period ended 29 January 2023.

#### Principal activities

The principal activity of the company continued to be that of clothing retail and related accessories.

#### Results and dividends

The results for the period are set out on page 9.

Ordinary dividends were paid amounting to £30,000,000 (2022: £15,000,000). The directors do not recommend payment of a further dividend.

#### Directors

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

Mr A R Killingsworth  
Ms A Heather  
Mr S Hatteea

#### Financial instruments

##### *Liquidity risk*

Liquidity risk arises from the Company's management of working capital and the repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. The Company policy is to ensure that there will be sufficient cash to meet its liabilities as they fall due. To achieve this cash balances are maintained at a level to meet expected requirements for at least the next month. The Board regularly receives both short and long term cash flow projections. At the end of the period these projections indicated that the Company is expected to have sufficient liquid resources to meet its obligations.

##### *Foreign currency risk*

Market risk arises primarily from the Company's use of foreign currency financial instruments. It is the risk that the fair value of future currency cash flows from financial instruments will fluctuate because of changing foreign exchange rates. The Company is predominately exposed to currency risk on purchases made from suppliers in the Far East, but denominated in US \$. The Company is also increasingly exposed to Sales in the Euro-zone and elsewhere, denominated in Euro €. Some purchases are made from suppliers denominated in Euro € and for the moment these perform a natural hedge.

##### *Credit risk*

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligation. Being a retailer, credit sales are of a minimum, but where goods are sold on credit an appropriate credit assessment is implemented before entering a contract. Trade receivables predominantly relate to balances due from trusted customer payment platforms and selected reputable trade customers. The accounts are actively monitored, and minimal credit losses are expected on such contracts. Credit risk arises from transactions with group companies, these are monitored at group level. Credit risk also arises from cash and cash equivalents and deposits with banks. Only highly rated banks are accepted. We bank with Barclays Bank Plc and Allied Irish Banks Plc whose current Moodys Credit Ratings are grade A. The Company does not enter into arrangements to manage credit risk.

#### Disabled persons

The Company's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

# **YOURS CLOTHING LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

***FOR THE PERIOD ENDED 29 JANUARY 2023***

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### **Employee involvement**

The Company's policy is to consult and discuss with employees matters likely to affect employee's interest.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Company's performance.

### **Auditor**

Ensors Accountants LLP were appointed as auditor to the company in the period and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

### **Energy and carbon report**

The entity is a subsidiary and is not required to make energy and carbon consumption disclosures as a single entity.

Information in respect of energy and carbon reporting can be found in the entity's consolidated parent company accounts.

### **Statement of directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

### **Statement of disclosure to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Ms A Heather

**Director**

31 August 2023



# YOURS CLOTHING LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF YOURS CLOTHING LIMITED

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### Opinion

We have audited the financial statements of Yours Clothing Limited (the 'company') for the period ended 29 January 2023 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity 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 company's affairs as at 29 January 2023 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 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 period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

# **YOURS CLOTHING LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBER OF YOURS CLOTHING LIMITED**

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

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.

## **YOURS CLOTHING LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF YOURS CLOTHING LIMITED**

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#### **Use of our report**

This report is made solely to the company's member in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to the member in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member, for our audit work, for this report, or for the opinions we have formed.

**Jayson Lawson**  
**Senior Statutory Auditor**  
**For and on behalf of Ensors Accountants LLP**

31 August 2023

**Chartered Accountants**  
**Statutory Auditor**

Victory House  
Vision Park  
Chivers Way  
Histon  
CB24 9ZR

# YOURS CLOTHING LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 29 JANUARY 2023

		52 weeks ended 29 January 2023	52 weeks ended 30 January 2022 as restated
	Notes	£	£
Turnover	3	233,771,190	174,204,772
Cost of sales		(81,689,131)	(58,924,917)
Distribution costs		(10,458,879)	(7,131,047)
<b>Gross profit</b>		<b>141,623,180</b>	<b>108,148,808</b>
Administrative expenses		(92,916,210)	(68,163,927)
Other operating income		48,617	2,348,610
Onerous contract provision	4	(4,197,674)	1,159,731
Provision against related party balances	4	-	(46,489)
<b>Operating profit</b>	<b>5</b>	<b>44,557,913</b>	<b>43,446,733</b>
Interest receivable and similar income	9	69,236	1,302
Interest payable and similar expenses	10	(51,000)	(277,364)
<b>Profit before taxation</b>		<b>44,576,149</b>	<b>43,170,671</b>
Tax on profit	11	(9,500,511)	(8,251,709)
<b>Profit for the financial period</b>		<b>35,075,638</b>	<b>34,918,962</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

## **YOURS CLOTHING LIMITED**

### **STATEMENT OF COMPREHENSIVE INCOME** **FOR THE PERIOD ENDED 29 JANUARY 2023**

	<b>52 weeks ended 29 January 2023</b>	<b>52 weeks ended 30 January 2022 as restated</b>
	<b>£</b>	<b>£</b>
<b>Profit for the period</b>	35,075,638	34,918,962
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive income for the period</b>	<u>35,075,638</u>	<u>34,918,962</u>

The notes on pages 13 to 32 form part of these financial statements.

# YOURS CLOTHING LIMITED

## BALANCE SHEET

AS AT 29 JANUARY 2023

		29 January 2023	30 January 2022	31 January 2021
	Notes	£	as restated £	as restated £
<b>Fixed assets</b>				
Intangible assets	13	102,467	233,262	367,043
Tangible assets	14	5,677,570	5,134,495	6,790,962
		<u>5,780,037</u>	<u>5,367,757</u>	<u>7,158,005</u>
<b>Current assets</b>				
Stocks	15	24,444,462	16,943,602	12,473,786
Debtors	16	12,218,376	13,134,558	6,872,577
Cash at bank and in hand		26,441,387	21,207,766	10,554,995
		<u>63,104,225</u>	<u>51,285,926</u>	<u>29,901,358</u>
<b>Creditors: amounts falling due within one year</b>	17	(22,357,899)	(19,732,936)	(14,894,764)
<b>Net current assets</b>		<u>40,746,326</u>	<u>31,552,990</u>	<u>15,006,594</u>
<b>Total assets less current liabilities</b>		<u>46,526,363</u>	<u>36,920,747</u>	<u>22,164,599</u>
<b>Creditors: amounts falling due after more than one year</b>	18	-	(34,116)	(81,612)
<b>Provisions for liabilities</b>				
Provisions	19	7,230,563	2,666,469	7,781,787
		<u>(7,230,563)</u>	<u>(2,666,469)</u>	<u>(7,781,787)</u>
<b>Net assets</b>		<u>39,295,800</u>	<u>34,220,162</u>	<u>14,301,200</u>
<b>Capital and reserves</b>				
Called up share capital	22	200	200	200
Profit and loss reserves		39,295,600	34,219,962	14,301,000
<b>Total equity</b>		<u>39,295,800</u>	<u>34,220,162</u>	<u>14,301,200</u>

The financial statements were approved by the board of directors and authorised for issue on 31 August 2023 and are signed on its behalf by:

Ms A Heather  
Director

Company Registration No. 02886196

# YOURS CLOTHING LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 29 JANUARY 2023

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
<b>Balance at 1 February 2021 (as restated)</b>		200	14,301,000	14,301,200
<b>Period ended 30 January 2022:</b>				
Profit and total comprehensive income for the period		-	34,918,962	34,918,962
Dividends	12	-	(15,000,000)	(15,000,000)
<b>Balance at 30 January 2022 (as restated)</b>		200	34,219,962	34,220,162
<b>Period ended 29 January 2023:</b>				
Profit and total comprehensive income for the period		-	35,075,638	35,075,638
Dividends	12	-	(30,000,000)	(30,000,000)
<b>Balance at 29 January 2023</b>		200	39,295,600	39,295,800

# YOURS CLOTHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE PERIOD ENDED 29 JANUARY 2023**

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### **1 Accounting policies**

#### **Company information**

Yours Clothing Limited is a private company limited by shares incorporated in England and Wales. The registered office is Newcombe House, Bakewell Road, Orton Southgate, Peterborough, PE2 6XU.

#### **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.

These financial statements for the period ended 29 January 2023 are prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, having previously prepared financial statements in accordance with UK adopted international accounting standards (UK adopted IFRS). An explanation of how previously reported figures have been represented under to FRS 102 and how this has affected the reported financial position and financial performance is given in note 27.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of AK Retail Holdings Limited. These consolidated financial statements are available from its registered office, Newcombe House, Bakewell Road, Orton Southgate, Peterborough, United Kingdom, PE2 6XU.

#### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has 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.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.



# YOURS CLOTHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JANUARY 2023

### 1 Accounting policies

(Continued)

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably. The recognition for store sales is deemed to be the completion of transaction. For internet sales this is the anticipated receipt of the goods by the customer. For all other revenue streams the recognition point is dictated by the terms and conditions forming the sales contract. Where the buyer has a right of return and has subsequently exercised that right, an appropriate provision is made against revenue.

#### 1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and 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:

Trademarks	Straight line over 10 years
Website costs	Straight line over 3 years

#### 1.5 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:

Leasehold improvements	Straight line over the full period of the lease
Plant and equipment	20% per annum reducing balance
Fixtures and fittings	20% per annum reducing balance
Computers	33% per annum straight line
Motor vehicles	25% per annum reducing balance

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 credited or charged to profit or loss.

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company 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.

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.

# YOURS CLOTHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JANUARY 2023

### 1 Accounting policies

(Continued)

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.

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell. Cost is based on the first-in first-out principle and comprise all cost of purchase, any cost of conversion and other costs bringing the stock to their present location and condition including duty and freight.

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 sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.8 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.

#### 1.9 Financial instruments

The company 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 company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

##### **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.

# YOURS CLOTHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JANUARY 2023

### 1 Accounting policies

(Continued)

#### ***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 company 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 company 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.

#### ***Derecognition of financial liabilities***

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

### 1.10 Equity instruments

Equity instruments issued by the company 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 company.

### 1.11 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# YOURS CLOTHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JANUARY 2023

### 1 Accounting policies

(Continued)

#### **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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.12 Provisions**

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company 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.

An onerous contract is considered to exist where the unavoidable costs exceed any economic benefit to be received from the contract. The present obligation under an onerous contract is measured and recognised as a provision.

Provision for the expected cost of customer right of return under sale of goods legislation and company terms and conditions is recognised at the period end. The provision is the director's best estimate of the refund required to settle any such obligation.

Where the company has incurred a liability to make good a leasehold property, at the expiration of the lease or on leaving an estimate is made for that cost and a provision for such amount is spread over the life of the lease.

In any circumstances where there is a potential liability and the amount cannot be estimated reliably then a contingent liability is disclosed.

#### **1.13 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.

#### **1.14 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# **YOURS CLOTHING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE PERIOD ENDED 29 JANUARY 2023***

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### **1 Accounting policies**

**(Continued)**

#### **1.15 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### **1.16 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

# YOURS CLOTHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JANUARY 2023

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### 2 Judgements and key sources of estimation uncertainty

In the application of the company'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.

#### **Key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### ***Dismantling costs and dilapidation of leasehold properties***

The Company has contractual obligations to return leasehold properties to their original state prior to return to the landlord at the end of the lease. The Company estimates the amount of this future liability based upon a combination of historical experience of vacating stores and a best estimate of the likely future costs to be incurred in making good the Company property portfolio. The estimate is calculated store by store as a specific amount with adjustment made for any special circumstances relating to an individual property. The carrying value is disclosed in note 19.

#### ***Determining the lease term of contracts with renewal and termination options***

The Company determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has many lease contracts that include extension and termination options. The Company evaluates whether it is reasonably certain whether or not to exercise option to renew or terminate the lease. It considers all relevant economic factors as to whether to exercise either renewal or termination.

#### ***Impairment of non-financial assets***

Impairments exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is higher of its fair value less costs of disposal and its value in use. An asset's value in use is estimated by reviewing its expected future cashflows which are discounted to present values. The Company cannot be certain of all future cashflows relating to an income generating unit and therefore our best judgement is used, based on industry knowledge and current market conditions, to estimate expected future cash flows. The discount rate appropriate to a specific asset is also an area of key estimation uncertainty, the Company has observed market data and estimated discount rates in detail.

#### ***Inflation estimation***

The Company holds long term liabilities in the form of leases, some of which contain rent reviews which may be impacted by inflation. The Company is unable to forecast future rent increases and is actively moving away from long term lease commitments. Inflation is also included within forecasting and asset impairment reviews. The Company cannot readily determine future inflation rates but has taken current market conditions into account in the short term forecasting with an assumption that inflation rates will drop back to 2%-3% per annum over the medium to longer term forecast periods.

# YOURS CLOTHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JANUARY 2023

### 2 Judgements and key sources of estimation uncertainty

(Continued)

#### Stock provision

The Company provides for the full cost price of specific stock items where they are identified as damaged or not fit for sale. The Company also provides for stock shrinkage, based on historically observed rates of losses, for the period between the most recent stock take and the period end. Slow moving stock items are provided for in full and items identified with a cost price in excess of current sales price, based on managements understanding of the products and market, are provided for to reduce the stock value to the recoverable amount.

#### Return provision

The Company estimates Store returns by applying a return rate percentage, based on historical experience, to sales in the period leading up to the period end. Online sales return provision is based upon the actual return of sold items following the period end.

#### Other provisions

The Government grant income received by the Company is subject to UK subsidy control conditions, as well as specific conditions attached to the grants themselves. The unprecedented nature of Covid-19 support funding means application of these conditions is open to a degree of interpretation. Where the Company has received income in connection with government grants but does not believe it will comply with all of the conditions, a provision is made for the Company's best estimate of amounts that will be repaid but the actual amount that will be repaid is not certain. The amount of £2,652,459, as was provided for in the previous financial period, is included within accruals and deferred income in relation to Government Grants.

### 3 Turnover and other revenue

	2023 £	2022 £
<b>Turnover analysed by class of business</b>		
Sale of goods	233,771,190	174,204,772
	<u>233,771,190</u>	<u>174,204,772</u>
	2023 £	2022 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	207,613,129	154,362,373
Europe	14,988,239	10,058,728
Rest of the world	11,169,822	9,783,671
	<u>233,771,190</u>	<u>174,204,772</u>
	2023 £	2022 £
<b>Other revenue</b>		
Interest income	69,236	1,302
Grants received	-	2,244,226
	<u>69,236</u>	<u>2,244,226</u>

# YOURS CLOTHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JANUARY 2023

### 4 Exceptional items

	2023	2022
	£	as restated £
Onerous contract provision	4,197,674	(1,159,731)
Provision against related party balances	-	46,489
	<u>4,197,674</u>	<u>(1,113,242)</u>

### 5 Operating profit

	2023	2022
	£	as restated £
Operating profit for the period is stated after charging/(crediting):		
Exchange gains	(2,993,775)	(622,841)
Government grants	-	(2,244,226)
Depreciation of owned tangible fixed assets	1,489,436	2,210,021
Loss on disposal of tangible fixed assets	157,130	320,389
Amortisation of intangible assets	104,389	133,781
Operating lease charges	8,308,531	6,662,057
	<u>8,308,531</u>	<u>6,662,057</u>

### 6 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	76,000	78,100
<b>For other services</b>		
Taxation compliance services	13,525	-
	<u>13,525</u>	<u>-</u>

### 7 Employees

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

	2023	2022
	Number	Number
Management and warehouse	308	233
Retail	649	602
Total	<u>957</u>	<u>835</u>



# YOURS CLOTHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JANUARY 2023

### 7 Employees (Continued)

Their aggregate remuneration comprised:

	2023	2022 as restated
	£	£
Wages and salaries	21,980,326	17,758,408
Social security costs	1,456,859	988,075
Pension costs	262,721	183,208
	<u>23,699,906</u>	<u>18,929,691</u>

### 8 Directors' remuneration

	2023	2022
	£	£
Remuneration for qualifying services	301,667	234,866
Company pension contributions to defined contribution schemes	1,321	1,321
	<u>302,988</u>	<u>236,187</u>

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2023	2022
	£	£
Remuneration for qualifying services	<u>197,154</u>	<u>163,228</u>

### 9 Interest receivable and similar income

	2023	2022
	£	£
Interest income		
Interest on bank deposits	<u>69,236</u>	<u>1,302</u>

### 10 Interest payable and similar expenses

	2023	2022 as restated
	£	£
Exchange differences on financing transactions	-	277,364
Other interest	<u>51,000</u>	<u>-</u>
	<u>51,000</u>	<u>277,364</u>

# YOURS CLOTHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JANUARY 2023

### 11 Taxation

	2023 £	2022 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	10,841,076	8,266,750
Adjustments in respect of prior periods	-	(8,498)
Double tax relief	(87,550)	-
Total UK current tax	10,753,526	8,258,252
Foreign current tax on profits for the current period	23,405	42,326
Total current tax	10,776,931	8,300,578
<b>Deferred tax</b>		
Origination and reversal of timing differences	(1,276,420)	(48,869)
Total tax charge	9,500,511	8,251,709

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

	2023 £	2022 as restated £
Profit before taxation	44,576,149	43,170,671
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	8,469,468	8,202,427
Tax effect of expenses that are not deductible in determining taxable profit	52,949	205,424
Permanent capital allowances in excess of depreciation	583	145,615
Deferred tax adjustments in respect of prior years	(45,095)	-
Foreign tax credits	(64,145)	-
Remeasurement of deferred tax for change in tax rates	(295,517)	(57,460)
Impact of transition	1,382,268	(244,297)
Taxation charge for the period	9,500,511	8,251,709

#### Factors that may affect future tax charge

In Spring 2021 budget the Government announced that companies with a taxable profit greater than £250,000 would be subject to a corporation tax rate of 25% from 1 April 2023, while companies with taxable profit of less than £50,000 would continue to remain subject to a corporation tax rate of 19% with a marginal rate applied for taxable profits between £50,000 and £250,000.

# YOURS CLOTHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JANUARY 2023

### 12 Dividends

	2023 £	2022 £
Final paid	30,000,000	15,000,000

### 13 Intangible fixed assets

	Trademarks £	Website costs £	Total £
<b>Cost</b>			
At 31 January 2022	177,812	2,216,500	2,394,312
Additions	-	50,000	50,000
Disposals	(177,812)	-	(177,812)
At 29 January 2023	-	2,266,500	2,266,500
<b>Amortisation and impairment</b>			
At 31 January 2022	101,406	2,059,644	2,161,050
Amortisation charged for the period	-	104,389	104,389
Disposals	(101,406)	-	(101,406)
At 29 January 2023	-	2,164,033	2,164,033
<b>Carrying amount</b>			
At 29 January 2023	-	102,467	102,467
At 30 January 2022	76,406	156,856	233,262

# YOURS CLOTHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JANUARY 2023

### 14 Tangible fixed assets

	Leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
<b>Cost</b>						
At 31 January 2022 (as restated)	11,162,549	619,587	5,158,582	1,776,236	169,214	18,886,168
Additions	790,642	1,099,880	156,099	157,047	-	2,203,668
Disposals	(482,946)	-	(386,404)	(15,803)	-	(885,153)
At 29 January 2023	11,470,245	1,719,467	4,928,277	1,917,480	169,214	20,204,683
<b>Depreciation and impairment</b>						
At 31 January 2022 (as restated)	8,470,480	291,293	3,795,300	1,088,941	105,659	13,751,673
Depreciation charged in the period	676,096	223,538	286,308	287,605	15,889	1,489,436
Eliminated in respect of disposals	(438,482)	-	(259,711)	(15,803)	-	(713,996)
At 29 January 2023	8,708,094	514,831	3,821,897	1,360,743	121,548	14,527,113
<b>Carrying amount</b>						
At 29 January 2023	2,762,151	1,204,636	1,106,380	556,737	47,666	5,677,570
At 30 January 2022 (as restated)	2,692,069	328,294	1,363,282	687,295	63,555	5,134,495

### 15 Stocks

	2023 £	2022 £
Goods in transit	408,305	478,711
Finished goods and goods for resale	24,036,157	16,464,891
	24,444,462	16,943,602

# YOURS CLOTHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JANUARY 2023

### 16 Debtors

	2023	2022 as restated
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	7,408,223	5,605,492
Amounts owed by group undertakings	79,048	2,978
Other debtors	587,285	1,558,771
Prepayments and accrued income	2,563,839	5,663,756
	<u>10,638,395</u>	<u>12,830,997</u>
Deferred tax asset (note 20)	1,579,981	303,561
	<u>12,218,376</u>	<u>13,134,558</u>

### 17 Creditors: amounts falling due within one year

	2023	2022 as restated
	£	£
Trade creditors	6,824,985	6,391,316
Corporation tax	378,273	1,618,721
Other taxation and social security	6,020,094	1,411,489
Other creditors	1,721,288	1,485,120
Accruals and deferred income	7,413,259	8,826,290
	<u>22,357,899</u>	<u>19,732,936</u>

### 18 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Accruals and deferred income	-	34,116
	<u>-</u>	<u>34,116</u>

### 19 Provisions for liabilities

	2023	2022 as restated
	£	£
Dilapidations/dismantling provision	1,750,418	1,750,168
Returns provision	1,282,471	916,301
Onerous contract provision	4,197,674	-
	<u>7,230,563</u>	<u>2,666,469</u>

# YOURS CLOTHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JANUARY 2023

### 19 Provisions for liabilities

(Continued)

Movements on provisions:

	Dilapidations/dismantling provision	Returns provision	Onerous contract provision	Total
	£	£	£	£
At 31 January 2022 (as restated)	1,750,168	916,301	-	2,666,469
Additional provisions in the year	114,297	1,282,471	4,197,674	5,594,442
Utilisation of provision	(114,047)	(916,301)	-	(1,030,348)
At 29 January 2023	<u>1,750,418</u>	<u>1,282,471</u>	<u>4,197,674</u>	<u>7,230,563</u>

Provisions are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows;

	2023	2022 as restated
	£	£
<b>Within next 12 months</b>		
Returns provision	1,282,471	916,301
Dilapidations/dismantling provision	302,691	114,047
Onerous contract provision	2,262,341	-
<b>After more than 12 months</b>		
Dilapidations/dismantling provision	1,447,727	1,636,121
Onerous contract provision	1,935,333	-
	<u>7,230,563</u>	<u>2,666,469</u>

### 20 Deferred taxation

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

	Assets 2023	Assets 2022
	£	£
<b>Balances:</b>		
Accelerated capital allowances	8,616	248,507
Short term temporary differences	1,571,365	55,054
	<u>1,579,981</u>	<u>303,561</u>

# YOURS CLOTHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JANUARY 2023

### 20 Deferred taxation (Continued)

	2023 £
<b>Movements in the period:</b>	
Asset at 31 January 2022	(303,561)
Credit to profit or loss	(1,276,420)
Asset at 29 January 2023	<u>(1,579,981)</u>

The deferred tax asset set out above is expected to reverse within 12 months.

### 21 Retirement benefit schemes

	2023 £	2022 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>262,721</u>	<u>183,208</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. At the balance sheet date, £63,969 (2022: £49,903) was outstanding.

### 22 Share capital

	2023 Number	2022 Number	2023 £	2022 £
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary shares of £1 each	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>

### 23 Operating lease commitments

#### Lessee

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

	2023 £	2022 as restated £
Within one year	6,629,482	6,844,097
Between two and five years	14,558,942	15,340,462
In over five years	<u>5,259,610</u>	<u>3,635,971</u>
	<u>26,448,034</u>	<u>25,820,530</u>

### 24 Events after the reporting date

Since the period ended 29 January 2023 the Company has developed its brand offering by launching M&Co online in June 2023 and by acquiring the Evans Brand in August 2023. The Company anticipates opening further stores in relation to the M&Co offering in Autumn 2023.

# **YOURS CLOTHING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE PERIOD ENDED 29 JANUARY 2023***

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### **25 Related party transactions**

The company has taken advantage of the exemption available under FRS 102 para 33.1A not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.

### **26 Ultimate controlling party**

The immediate and ultimate parent undertaking is AK Retail Holdings Limited, a company registered in England and Wales.

The largest and smallest group in which the results of the Company are consolidated is that headed by AK Retail Holdings Limited, registered at Newcombe House, Bakewell Road, Orton Southgate, Peterborough, PE2 6XU.

The Company is ultimately controlled by Mr A R Killingsworth, by virtue of his 100% shareholding in the parent company.

### **27 Explanation of adoption of UK GAAP ('FRS102')**

During the period, management made the decision to re-adopt UK GAAP after reporting under UK Adopted IFRS for 5 consecutive periods. The decision was made as management believe the format and substance of reporting under UK GAAP aligns with the day-to-day business operations while presenting a more true and fair view of the business.

As stated in note 1, these financial statements are prepared in accordance with FRS102 (UK GAAP).

The accounting policies set out in note 1 have been applied in preparing the financial statements for the period ended 29 January 2023, the comparative information presented in these financial statements for the period ended 30 January 2022 and in the preparation of an opening UK GAAP balance sheet at 1 February 2021 (the Company's date of adoption).

In preparing its opening UK GAAP balance sheet, the Company has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK adopted IFRS). An explanation of how the transition from UK adopted IFRS to UK GAAP has affected the Company's financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables.



# YOURS CLOTHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JANUARY 2023

### 27 Explanation of adoption of UK GAAP ('FRS102')

(Continued)

#### Reconciliation of equity

#### Balance sheet

	1 February 2021			30 January 2022		
	Adopted IFRS	Effect of transition to UK GAAP	UK GAAP	Adopted IFRS	Effect of transition to UK GAAP	UK GAAP
	£	£	£	£	£	£
<b>Fixed assets</b>						
Intangible assets	367,043		367,043	233,262		233,262
Fixed assets	6,262,959	528,003	6,790,962	4,779,421	355,074	5,134,495
Right-of-use assets	25,184,452	(25,184,452)	-	16,928,555	(16,928,555)	-
Deferred tax asset	254,692	(254,692)	-	303,561	(303,561)	-
	<u>32,069,146</u>	<u>(24,911,141)</u>	<u>7,158,005</u>	<u>22,244,799</u>	<u>(16,877,042)</u>	<u>5,367,757</u>
<b>Current assets</b>						
Stocks	12,473,786	-	12,473,786	16,943,602	-	16,943,602
Debtors	4,809,123	2,063,454	6,872,577	11,373,453	1,761,105	13,134,558
Cash at bank and in hand	10,554,995	-	10,554,995	21,207,766	-	21,207,766
	<u>27,837,904</u>	<u>2,063,454</u>	<u>29,901,358</u>	<u>49,524,821</u>	<u>1,761,105</u>	<u>51,285,926</u>
<b>Total assets</b>	<u>59,907,050</u>	<u>(22,847,687)</u>	<u>37,059,363</u>	<u>71,769,620</u>	<u>(15,115,937)</u>	<u>56,653,683</u>
<b>Current liabilities</b>						
Trade and other creditors	13,511,116	(189,960)	13,321,156	16,445,636	1,668,579	18,114,215
Lease liabilities	7,491,773	(7,491,773)	-	6,397,428	(6,397,428)	-
Provisions	-	-	-	1,030,348	(1,030,348)	-
Tax payable	1,573,608	-	1,573,608	1,618,721	-	1,618,721
	<u>22,576,497</u>	<u>(7,681,733)</u>	<u>14,894,764</u>	<u>25,492,133</u>	<u>(5,759,197)</u>	<u>19,732,936</u>
<b>Non-current liabilities</b>						
Trade and other creditors	81,612	-	81,612	34,116	-	34,116
Lease liabilities	25,003,508	(25,003,508)	-	18,686,908	(18,686,908)	-
Provisions	4,956,384	2,825,403	7,781,787	1,634,228	1,032,241	2,666,469
	<u>30,041,504</u>	<u>(22,178,105)</u>	<u>7,863,399</u>	<u>20,355,252</u>	<u>(17,654,667)</u>	<u>2,700,585</u>
<b>Total liabilities</b>	<u>52,618,001</u>	<u>(29,859,838)</u>	<u>22,758,163</u>	<u>45,847,385</u>	<u>(23,413,864)</u>	<u>22,433,521</u>
<b>Net assets</b>	<u>7,289,049</u>	<u>7,012,151</u>	<u>14,301,200</u>	<u>25,922,235</u>	<u>8,297,927</u>	<u>34,220,162</u>

# YOURS CLOTHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JANUARY 2023

### 27 Explanation of adoption of UK GAAP ('FRS102')

(Continued)

#### Equity

Share capital	200	-	200	200	-	200
Retained earnings	7,288,849	7,012,151	14,301,000	25,922,035	8,297,927	34,219,962
<b>Total equity</b>	<b>7,289,049</b>	<b>7,012,151</b>	<b>14,301,200</b>	<b>25,922,235</b>	<b>8,297,927</b>	<b>34,220,162</b>

#### Notes to the reconciliation of equity

Fixed assets - End of lease dismantling costs in respect of shop fittings have been recognised as property plant and equipment, having previously been treated as part of the right of use asset.

Right-of-use assets - Right-of-use assets in respect of operating leases have been de-recognised having previously been capitalised under previously adopted IFRSs.

Debtors - The adjustment to other debtors on transition represents dilapidation balances which are released to the profit and loss over the period of the operating lease.

Lease liabilities - Lease liabilities have been de-recognised in line with the de-recognition of previously recognised right-of-use assets capitalised under IFRS 16.

Provisions - Provisions in respect of end of lease costs have been recognised having previously been accounted for as part of the right-of-use asset under previously adopted IFRSs.

#### Reconciliation of profit /(loss)

	30 January 2022		
	Adopted IFRS	Effect of transition to UK GAAP	UK GAAP
	£	£	£
Revenue	174,204,773	-	174,204,773
Cost of sales	(58,924,918)	-	(58,924,918)
Distribution costs	(7,131,047)	-	(7,131,047)
<b>Gross profit</b>	<b>108,148,808</b>	<b>-</b>	<b>108,148,808</b>
Other operating income	2,374,516	(25,906)	2,348,610
Administrative expenses	(65,296,074)	(2,867,853)	(68,163,927)
Impairment of PPE	(624,787)	624,787	-
Impairment of right-of-use	(5,295,523)	5,295,523	-
Reversal of impairment of right-of-use	1,926,383	(1,926,383)	-
Reversal /(Provision) against onerous contracts	1,109,420	50,311	1,159,731
Provision against related party balances	(46,489)	-	(46,489)
<b>Operating profit</b>	<b>42,296,254</b>	<b>1,150,479</b>	<b>43,446,733</b>

## YOURS CLOTHING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JANUARY 2023

#### 27 Explanation of adoption of UK GAAP ('FRS102')

(Continued)

Finance income	624,143	(622,841)	1,302
Finance expense	(1,035,502)	758,138	(277,364)
	<hr/>	<hr/>	<hr/>
<b>Profit before tax</b>	<b>41,884,895</b>	<b>1,285,776</b>	<b>43,170,671</b>
	<hr/>	<hr/>	<hr/>
Taxation	(8,251,709)	-	(8,251,709)
	<hr/>	<hr/>	<hr/>
<b>Profit for the period</b>	<b>33,633,186</b>	<b>1,285,776</b>	<b>34,918,962</b>
	<hr/>	<hr/>	<hr/>

#### *Notes to the reconciliation of profit/(loss)*

Administrative expenses - Operating rents have been recognised on a straight line basis, with depreciation of right-of-use assets being de-recognised.

Impairment/provisions - Other charges in respect of right-of-use assets have been de-recognised from the profit and loss account, being replaced by operating rents recognised on a straight line basis.

Finance income - Foreign exchange variances on operating activities have been re-classified to administrative expenses on transition to UK GAAP.

Finance expense - Interest expense in respect of lease liabilities has been de-recognised, with operating rents being recognised on a straight line basis under UK GAAP.

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