

Company registration number 11446095 (England and Wales)

PDS FASHIONS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

PDS FASHIONS LIMITED

COMPANY INFORMATION

Directors Mr Pallak Seth
Mr Abhishekh Kanoi
Mr Manish Kumar Arora
Mr Bhavesh Shah (Appointed 9 May 2025)

Company number 11446095

Registered office Quadrant House - Floor 6
4 Thomas More Square
London
E1W 1YW

Auditor UHY Hacker Young
Quadrant House
4 Thomas More Square
London
E1W 1YW

PDS FASHIONS LIMITED

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PDS FASHIONS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2026

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

Review of the business

1. Purpose and Scope

The Company acts as an internal service provider exclusively for fellow subsidiaries within the PDS Limited group. This report fulfils statutory requirements to inform shareholders about the Company's performance, position, risks, and outlook within this context.

2. Business Model and Activities

The Company's business model is centred on providing specialised business support and advisory services to the fellow PDS Group entities. Key services provided include:

- Providing strategic insights and guidance for managing growth, market positioning, and market expansion techniques.
- Assisting in undertaking potential risk and opportunity analysis.
- Supporting the analysis of business opportunities, including review of business prospects, financial records, and projections.
- Assisting with identification of plausible global clients and projects for group entities.
- Assisting with stakeholder management activities.
- Providing support in valuation, due diligence, and integration for potential transactions.
- Engaging third-party consultants as necessary for service delivery.
- Any other mutually agreed ancillary support activities.
- The Company leverages expertise and resources to enhance the strategic and operational capabilities of the PDS Group's trading entities.

3. Strategy

The Company's strategy is to be a valued and effective internal advisory unit, directly supporting the PDS Group's overall strategic goals by providing high-quality, timely, and relevant insights and support services to fellow subsidiaries. Strategic focus areas include enhancing the scope and depth of advisory services offered and ensuring efficient delivery.

PDS FASHIONS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

4. Performance Review

Financial Performance:

Financial performance reflects the provision of services to fellow subsidiaries.

Turnover (intercompany service revenue): £12,457,569 (2025: £12,764,828). This remained similar to last year.

Loss before tax for the year: £388,127 (2025: £806,615).

Business Development:

Developments focused on enhancing internal service delivery, such as supporting key group strategic projects.

5. Position at Year-End

At 31st March 2026, the Company's financial position showed total net liability of £1,410,611 (2025: £1,138,319). The balance sheet primarily reflects the accumulation of losses. The Company's financial stability is supported by the parent company.

Principal risks and uncertainties

Key risks and uncertainties

Principal risks relate to the Company's function as an internal service provider:

- **Reliance on Group Demand:** Activity levels depend on the needs of fellow subsidiaries.
- **Quality of Service:** Ensuring the advice and support provided are consistently high-quality and impactful.
- **Talent Retention:** Retaining the necessary expertise within the advisory team.
- **Indirect External Impact:** While not directly exposed, the demand for services is indirectly influenced by external market conditions affecting the wider PDS Group.
- **Management mitigates these by maintaining close group relationships, focusing on talent development, and ensuring robust internal processes.**

Future Prospects

The Company's future prospects are tied to supporting the PDS Group's continued growth and strategic evolution. The focus remains on providing high-value advisory services and adapting to the group's changing requirements, contributing to its overall success.

PDS FASHIONS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

Other business review

- Health and safety

The company recognises the importance of safeguarding the health, safety and welfare of its employees and has a health and safety policy in place. Regular updates are communicated to all employees.

-Employees

The company aims to ensure that the employees work in a safe and healthy environment. The company encourages the workforce to be involved by providing appropriate training, learning and career development programmes. It is also making information available to employees through the medium of frequent staff meetings, together with personal appraisals and feedback sessions.

On behalf of the board

Bhavesh Shah

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Mr Bhavesh Shah

Director

Date: 08/05/2026
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PDS FASHIONS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2026

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

Principal activities

The principal activity of the company is the provision of management and consultancy services.

Results and dividends

The results for the year are set out on page 10.

No ordinary dividends were paid. The directors do not recommend payment of a final 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 Pallak Seth

Mr Abhishekh Kanoi

Mr Manish Kumar Arora

Mr Roland Seregi

(Resigned 9 May 2025)

Mr Bhavesh Shah

(Appointed 9 May 2025)

Auditor

The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

PDS FASHIONS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

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 company's auditor 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 company's auditor is aware of that information.

Going concern

The directors confirm that, having reviewed the company's forecasts, they consider that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements. The company will also continue to obtain sufficient funding from within the group to enable it to pay its debts as they fall due.

On behalf of the board

Bhavesh Shah

.....
Mr Bhavesh Shah

Director

Date: 08/05/2026
.....

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PDS FASHIONS LIMITED

Opinion

We have audited the financial statements of PDS Fashions Limited (the 'company') for the year ended 31 March 2026 which comprise the income statement, the statement of financial position, the statement of changes in equity, the 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 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2026 and of its loss 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PDS FASHIONS LIMITED (CONTINUED)

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

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

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

Responsibilities of directors

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PDS FASHIONS LIMITED (CONTINUED)

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.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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



UHY Hacker Young
Quadrant House
4 Thomas More Square
London E1W 1YW

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PDS FASHIONS LIMITED (CONTINUED)**

V Vadgama

**Vinodkumar Vadgama
Senior Statutory Auditor
For and on behalf of UHY Hacker Young**

Date: 08/05/2026

**Chartered Accountants
Statutory Auditor**

PDS FASHIONS LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2026

		2026	2025
	Notes	£	as restated £
Revenue	4	12,457,569	12,764,828
Cost of sales		(73,570)	-
Gross profit		<u>12,383,999</u>	<u>12,764,828</u>
Administrative expenses		(13,513,326)	(14,350,455)
Other operating income		1,471,359	1,099,953
Operating profit/(loss)	5	<u>342,032</u>	<u>(485,674)</u>
Investment income	8	-	104
Finance costs	9	(730,159)	(321,045)
Loss before taxation		<u>(388,127)</u>	<u>(806,615)</u>
Tax on loss	10	97,032	-
Loss and total comprehensive income for the year		<u><u>(291,095)</u></u>	<u><u>(806,615)</u></u>

The income statement has been prepared on the basis that all operations are continuing operations.

PDS FASHIONS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

		2026		2025 as restated	
	Notes	£	£	£	£
Non-current assets					
Intangible assets	11		6,545		6,205
Property, plant and equipment	12		16,272,138		16,618,104
Deferred tax asset	19		97,032		-
			<u>16,375,715</u>		<u>16,624,309</u>
Current assets					
Inventories	13	62,032		-	
Trade and other receivables	14	6,829,663		6,199,579	
Cash and cash equivalents		886,261		92,303	
		<u>7,777,956</u>		<u>6,291,882</u>	
Current liabilities	15	<u>(17,280,394)</u>		<u>(16,273,019)</u>	
Net current liabilities			<u>(9,502,438)</u>		<u>(9,981,137)</u>
Total assets less current liabilities			<u>6,873,277</u>		<u>6,643,172</u>
Non-current liabilities	15		<u>(8,283,888)</u>		<u>(7,781,491)</u>
Net liabilities			<u>(1,410,611)</u>		<u>(1,138,319)</u>
Equity					
Called up share capital	22		875,000		875,000
Share-based payment reserves	23		176,719		157,916
Retained earnings			<u>(2,462,330)</u>		<u>(2,171,235)</u>
Total equity			<u>(1,410,611)</u>		<u>(1,138,319)</u>

PDS FASHIONS LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2026

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 ^{08/05/2026}
and are signed on its behalf by:

Bhavesh Shah

.....

Mr Bhavesh Shah
Director

Company registration number 11446095 (England and Wales)

PDS FASHIONS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2026**

	Share capital	Share- based payment reserves	Retained earnings	Total
	£	£	£	£
As restated for the period ended 31 March 2025:				
Balance at 1 April 2024	875,000	119,981	(1,364,620)	(369,639)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 1 April 2024	875,000	119,981	(1,364,620)	(369,639)
Year ended 31 March 2025:				
Loss and total comprehensive income	-	-	(806,615)	(806,615)
Transactions with owners:				
Transfer to other reserves	-	37,935	-	37,935
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 March 2025	875,000	157,916	(2,171,235)	(1,138,319)
	<hr/>	<hr/>	<hr/>	<hr/>
Year ended 31 March 2026:				
Loss and total comprehensive income	-	-	(291,095)	(291,095)
Transactions with owners:				
Transfer to other reserves	-	18,803	-	18,803
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 March 2026	875,000	176,719	(2,462,330)	(1,410,611)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

PDS FASHIONS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

		2026		2025 as restated	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	28		1,709,111		296,219
Interest paid			(730,159)		(321,045)
Net cash inflow/(outflow) from operating activities			978,952		(24,826)
Investing activities					
Purchase of intangible assets		(1,091)		(6,544)	
Purchase of property, plant and equipment		(615,104)		(6,466,781)	
Loans made to other entities		50,760		(50,760)	
Interest received		-		104	
Net cash used in investing activities			(565,435)		(6,523,981)
Financing activities					
Proceeds from new bank loans		743,054		6,921,446	
Payment of lease liabilities		(362,346)		(393,648)	
Net cash generated from financing activities			380,708		6,527,798
Net increase/(decrease) in cash and cash equivalents			794,225		(21,009)
Cash and cash equivalents at beginning of year			92,036		113,045
Cash and cash equivalents at end of year			886,261		92,036
Relating to:					
Bank balances and short term deposits			886,261		92,303
Bank overdrafts			-		(267)

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies

Company information

PDS Fashions Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House - Floor 6, 4 Thomas More Square, London, E1W 1YW. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

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.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- inclusion of an explicit and unreserved statement of compliance with IFRS;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- a reconciliation of the number and weighted average exercise prices of share options, how the fair value of share-based payments was determined and their effect on profit or loss and the financial position;
- for financial instruments and investment property measured at fair value and within the scope of IFRS 13, the valuation techniques and inputs used to measure fair value, the effect of fair value measurements with significant unobservable inputs on the result for the period and the impact of credit risk on the fair value; and
- related party disclosures for transactions with the parent or wholly owned members of the group.

Where required, equivalent disclosures are given in the group accounts of PDS Limited. The group accounts of PDS Limited are available to the public and can be obtained as set out in note 27.

1.2 Prior period error

The comparatives have been restated to incorporate the impact of bonus adjustments. Further information is on note 30.

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies

(Continued)

1.3 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Furthermore, group companies have agreed to provide financial support by not seeking repayment of amounts owed until such time as the company is able to pay its debts. The company will also continue to obtain sufficient funding from within the group to enable it to pay its debts as they fall due. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Revenue

Revenue is measured at the fair value of the management charges received or receivable.

Sales of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), 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.

1.5 Intangible 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.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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:

- Software - 3 years straight line
- Patents & licenses - 3 years straight line

1.6 Property, plant and equipment

Property, plant and equipment 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:

Freehold land and buildings	50 years straight line
Leasehold land and buildings	Over the term of the lease
Property Improvements	15 years straight line
Fixtures and fittings	3 years straight line
Computers	3 years straight line

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies

(Continued)

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 income statement.

1.7 Impairment of tangible and intangible assets

At each reporting 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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

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.

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.

1.8 Inventories

Inventories 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 inventories to their present location and condition.

Inventories 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.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents 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.

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies

(Continued)

1.10 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets held at amortised cost

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.11 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.12 Equity instruments

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

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 income statement 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.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary 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 income statement, 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.

1.14 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 inventories or non-current 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.

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies

(Continued)

1.15 Retirement benefits

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

1.16 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the black scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

The ultimate parent company PDS Limited has issued share options to certain directors and employees. These are measured at fair value and recognised as an expense in the profit and loss account with a corresponding increase in equity. The fair value of the options was estimated at the date of grant using the Black - Scholes option pricing model. The fair value will be charged as an expense in the profit or loss account over the vesting period. The charge is adjusted each year to reflect the expected and actual level of vesting.

1.17 Leases

As lessee

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently adjusted for remeasurements of the lease liability and applies the relevant cost model, fair value model or revaluation model as set out within the accounting policies for the applicable asset class. Where the cost model is applied, the asset is depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, and is periodically reduced by impairment losses, if any.

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies

(Continued)

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is reassessed at each financial period end to reflect lease modifications and any changes to the factors considered at initial measurement, as set out above. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

As lessor

When the company acts as a lessor, a lease is classified as a finance lease whenever it transfers substantially all the risks and rewards of ownership of the underlying asset to the lessee, either at the end of the lease term or for the major part of the economic life of the asset. All other leases are classified as operating leases. If an arrangement contains both lease and non-lease components, the company allocates the consideration in the contract to the two elements. When the company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately, classifying the sub-lease with reference to the right-of-use asset arising from the head lease instead of the underlying asset.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.18 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 Adoption of new and revised standards and changes in accounting policies

Change in accounting policy

The company has changed its accounting policy for recognising employee bonus expenses from a cash basis to an accrual basis. Bonus costs are now recognised in the period in which the related performance is earned, providing a more appropriate matching of expenses with revenue. This change has been treated as a change in accounting estimate in accordance with IAS 8, and opening retained earnings have been adjusted for the impact of prior-period incentive payments.

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

3 Critical accounting estimates and judgements

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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

Key sources of estimation uncertainty

Valuations of lease liability & right-of-use asset

The application of IFRS 16 requires the company to make judgements that affect the valuation of the lease liabilities and the right-of-use assets. These include determining the interest rate used for discounting of future cashflows. The present value of the lease payment is determined using the discount rate representing the company's incremental borrowing rate.

Share-based payments

The Group operates an employee compensation scheme, settled in equity. The fair value of equity-settled share-based payment arrangements requires significant judgement in the determination of the valuation of options, or the assumptions regarding vesting conditions being met, which will affect the expense recognised during the period.

These assumptions include the future volatility of the Parent's share price, future dividend yield and the rate at which awards will lapse or be forfeited. These assumptions are then applied to a recognised valuation model in order to calculate the fair value of the awards. The fair value attributed to the awards, and hence the charge made in the income statement, could be materially affected should different assumptions be made to those applied by the Group. Details of these assumptions are set out in note 12. The Group uses a professional valuer in the determination of the fair value of options at grant date.

4 Revenue

	2026	2025
	£	£
Revenue analysed by class of business		
Recharges to group companies	12,379,585	12,764,828
Sales to other related parties	77,984	-
	<u>12,457,569</u>	<u>12,764,828</u>

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

5 Operating profit/(loss)

	2026	2025
	£	£
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange losses	97,553	23,432
Fees payable to the company's auditor for the audit of the company's financial statements	16,900	14,800
Depreciation of property, plant and equipment	1,074,320	621,324
Loss on disposal of property, plant and equipment	794	-
Amortisation of intangible assets (included within administrative expenses)	751	1,017
Cost of inventories recognised as an expense	73,570	-
Share-based payments	3,544	36,144
	<u> </u>	<u> </u>

6 Employees

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

	2026	2025
	Number	Number
	126	134
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2026	2025
	£	£
Wages and salaries	8,749,719	9,653,091
Social security costs	1,221,458	1,147,249
Pension costs	300,615	141,616
	<u> </u>	<u> </u>
	10,271,792	10,941,956
	<u> </u>	<u> </u>

7 Directors' remuneration

	2026	2025
	£	£
Remuneration for qualifying services	752,678	633,839
Company pension contributions to defined contribution schemes	11,881	2,642
	<u> </u>	<u> </u>
	764,559	636,481
	<u> </u>	<u> </u>

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

7 Directors' remuneration

(Continued)

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2025 - 2).

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

	2026	2025
	£	£
Remuneration for qualifying services	507,445	444,413
Company pension contributions to defined contribution schemes	1,321	1,321
	<u>508,766</u>	<u>445,734</u>

8 Investment income

	2026	2025
	£	£
Interest income		
Other interest income	-	104
	<u>-</u>	<u>104</u>

9 Finance costs

	2026	2025
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	610,756	155,665
Interest on lease liabilities	42,144	48,130
Interest on other loans	77,259	117,250
	<u>730,159</u>	<u>321,045</u>

10 Taxation

	2026	2025
	£	£
Deferred tax		
Origination and reversal of temporary differences	(97,032)	-
	<u>(97,032)</u>	<u>-</u>

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

10 Taxation

(Continued)

The charge for the year can be reconciled to the loss per the income statement as follows:

	2026	2025
	£	£
Loss before taxation	(388,127)	(806,615)
	<u> </u>	<u> </u>
Expected tax credit based on a corporation tax rate of 25.00% (2025: 25.00%)	(97,032)	(201,654)
Group relief	-	201,654
	<u> </u>	<u> </u>
Taxation credit for the year	(97,032)	-
	<u> </u>	<u> </u>

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

11 Intangible fixed assets

	Software £	Patents & licences £	Total £
Cost			
At 31 March 2025	12,655	9,449	22,104
Additions	-	1,091	1,091
At 31 March 2026	12,655	10,540	23,195
Amortisation and impairment			
At 31 March 2025	12,655	3,244	15,899
Charge for the year	-	751	751
At 31 March 2026	12,655	3,995	16,650
Carrying amount			
At 31 March 2026	-	6,545	6,545
At 31 March 2025	-	6,205	6,205

12 Property, plant and equipment

	Freehold land and buildings £	Leasehold land and buildings £	Property Improvements £	Fixtures and fittings £	Computers £	Total £
Cost						
At 1 April 2025	9,491,102	2,364,864	5,642,488	595,803	154,753	18,249,010
Additions	-	114,044	495,428	103,065	16,611	729,148
Disposals	-	-	-	-	(1,300)	(1,300)
At 31 March 2026	9,491,102	2,478,908	6,137,916	698,868	170,064	18,976,858
Accumulated depreciation and impairment						
At 1 April 2025	12,924	1,237,023	274,139	46,195	60,625	1,630,906
Charge for the year	187,343	351,692	410,590	76,542	48,153	1,074,320
Eliminated on disposal	-	-	-	-	(506)	(506)
At 31 March 2026	200,267	1,588,715	684,729	122,737	108,272	2,704,720
Carrying amount						
At 31 March 2026	9,290,835	890,193	5,453,187	576,131	61,792	16,272,138
At 31 March 2025	9,478,178	1,127,841	5,368,349	549,608	94,128	16,618,104

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

12 Property, plant and equipment

(Continued)

Property, plant and equipment includes right-of-use assets, as follows:

Right-of-use assets	2026	2025
	£	£
Net values at the year end		
Property	890,193	1,127,841
	<u> </u>	<u> </u>
Total additions in the year	114,044	1,023,685
	<u> </u>	<u> </u>
Depreciation charge for the year		
Property	351,692	437,180
	<u> </u>	<u> </u>

13 Inventories

	2026	2025
	£	£
Finished goods	62,032	-
	<u> </u>	<u> </u>

14 Trade and other receivables

	2026	2025
	£	£
Trade receivables	40,682	-
VAT recoverable	77,213	1,125,074
Amounts owed by fellow group undertakings	6,092,594	4,215,704
Other receivables	558,398	776,280
Prepayments and accrued income	60,776	82,521
	<u> </u>	<u> </u>
	6,829,663	6,199,579
	<u> </u>	<u> </u>

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

15 Liabilities

	Notes	Current		Non-current	
		2026	as restated 2025	2026	2025
		£	£	£	£
Borrowings	16	-	267	7,664,500	6,921,446
Trade and other payables	17	16,663,397	13,346,604	-	-
Taxation and social security		281,656	2,583,162	-	-
Lease liabilities	18	335,341	342,986	619,388	860,045
		<u>17,280,394</u>	<u>16,273,019</u>	<u>8,283,888</u>	<u>7,781,491</u>

Information related to prior period adjustment is included in note 30.

16 Borrowings

	Current		Non-current	
	2026	2025	2026	2025
	£	£	£	£
Borrowings held at amortised cost:				
Bank overdrafts	-	267	-	-
Bank loans	-	-	7,664,500	6,921,446
	<u>-</u>	<u>267</u>	<u>7,664,500</u>	<u>6,921,446</u>

The bank have a fixed and floating charge over the assets of the company.

17 Trade and other payables

	as restated	
	2026	2025
	£	£
Trade payables	222,909	322,906
Amount owed to parent undertaking	1,043,051	1,043,051
Amounts owed to fellow group undertakings	14,773,905	11,494,914
Accruals and deferred income	162,352	401,687
Other payables	461,180	84,046
	<u>16,663,397</u>	<u>13,346,604</u>

Information related to prior period adjustment is included in note 30.

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

18 Lease liabilities

	2026	2025
Net amounts due	£	£
Within one year	335,341	342,986
After more than one year	619,388	860,045
	<u>954,729</u>	<u>1,203,031</u>
	<u><u>954,729</u></u>	<u><u>1,203,031</u></u>
	2026	2025
Maturity analysis of future lease payments	£	£
Within one year	365,792	383,928
In two to five years	643,428	907,889
	<u>1,009,220</u>	<u>1,291,817</u>
Total undiscounted liabilities	1,009,220	1,291,817
Future finance charges and other adjustments	(54,491)	(88,786)
	<u>954,729</u>	<u>1,203,031</u>
Lease liabilities in the financial statements	<u><u>954,729</u></u>	<u><u>1,203,031</u></u>

Other leasing information is included in note 24.

19 Deferred taxation

	Assets	
	2026	2025
	£	£
Deferred tax balances	97,032	-
	<u>97,032</u>	<u>-</u>
	<u><u>97,032</u></u>	<u><u>-</u></u>

Deferred tax assets are expected to be recovered after more than one year.

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

19 Deferred taxation

(Continued)

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	ACAs
	£
Liability at 1 April 2024 and 1 April 2025	-
Deferred tax movements in current year	
Credit/(charge) to profit or loss	97,032
	<hr/>
Asset at 31 March 2026	97,032
	<hr/> <hr/>

Deferred tax assets and liabilities are offset in the financial statements only where the company has a legally enforceable right to do so.

20 Retirement benefit schemes

	2026	2025
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	300,615	141,616
	<hr/> <hr/>	<hr/> <hr/>

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.

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

21 Share-based payments

Expenses

Related to equity settled share based payments	3,544	36,144
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Share options were granted to the employees of the company on 22/10/2021. There are performance conditions attached to these options. Options granted under this plan vest as follows;

- a. 25% of the options vest at the end of 1st year from the date of Grant,
- b. 25% of the options vest at the end of 2nd year from the date of Grant,
- c. 25% of the options vest at the end of 3rd year from the date of Grant,
- d. 25% of the options vest at the end of 4th year from the date of Grant,

Exercise of an option is subject to continuous employment and fulfilling the conditions as set out in the grant letter.

Options were valued used the Black-Scholes option-pricing model. The fair value per option granted and the assumptions used in the calculations are as follows;

Grant date	22/10/2021
Share price at grant date	INR 273.80
Exercise price	INR 219.00
Number of employees	4
Shares under option	35,000
Vesting period (years)	4
Option life (years)	4
Expected life (years)	4
Fair value per option:	
Year 1	INR 94.80
Year 2	INR 107.00
Year 3	INR 117.20
Year 4	INR 125.20

The exercise price, and hence the fair value, of the options is denominated in INR and has been translated in the table above at the exchange rate on the date of grant being INR 103.194 = £1.

22 Share capital

	2026	2025	2026	2025
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of £1 each	875,000	875,000	875,000	875,000

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

23 Share-based payment reserves

	2026	2025
	£	£
At the beginning of the year	157,916	119,981
Additions	18,803	37,935
At the end of the year	<u>176,719</u>	<u>157,916</u>

24 Other leasing information

As lessee

The amounts included in the column below relate to the service charge expenses.

Amounts recognised in profit or loss as an expense during the period in respect of lease arrangements are as follows:

	2026	2025
	£	£
Amounts recognised in profit or loss:		
Expense relating to short-term leases	8,030	22,948

As lessor - operating leases

	2026	2025
	£	£
Amounts recognised in profit or loss:		
Total lease income	<u>1,430,386</u>	<u>1,099,655</u>

Information relating to lease liabilities is included in note 18.

25 Related party transactions

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

25 Related party transactions

(Continued)

Related Party	Rent, Commission & Other Income 2026 £	Rent, Commission & Other Income 2025 £	Amount (Owed to)/ Owed by Related Party 2026 £	Amount (Owed to)/ Owed by Related Party 2025 £
PDS Sourcing Ltd	-	-	(76,517)	(50,512)
Norwest Industries Limited, Hong Kong	538,456	923,364	(12,906,506)	(10,956,052)
Poeticgem Limited	1,237,026	17,349	(419,371)	(302,521)
Zamira Fashion Limited	155,876	153,547	(1,934)	(2,540)
Simple Approach Limited - Hong Kong	2,364,653	2,258,457	(1,067,153)	(70,386)
Norlanka Mfg.Ltd.,HK	553,448	381,831	10,128	(8)
PDS Asia Star Corporation	160,809	128,732	39	(1,732)
Good Earth Lifestyle Ltd	6,155	31,263	(9,900)	(11,169)
PDS Multinational FZCO	126	-	(3,102)	(1,989)
Collaborative Sourcing Services FZC	519,401	267,278	38,961	(20,885)
Clover Collections FZCO	645,587	452,828	32,123	(5,624)
Vivere London	-	-	(165,498)	(71,498)
Multinational Textile Group Limited	3,085,705	1,658,597	1,972,617	2,727,766
PDS Online Enterprise UK Limited	-	-	-	568
New Lobster Ltd	68,410	-	8,882	997
Home Sourcing Solutions Limited	304,838	266,604	105,620	1,941
PDS Limited	549,692	1,674,763	342,570	200,307
Northern Apparel Ltd	799,289	555,747	5,037	66,316
Spring Near East Mfg.Co.Ltd	230,829	855,018	-	104,611
Clover Collections Ltd.	-	452,828	-	1,667
Simple Approach Trading FZCO	371,300	-	371,300	371,300
Good Earth Apparels Limited	-	-	16,223	16,223
Infinity Fashion FZCO	159,364	106,345	15,039	58,536
Design Arc UK Ltd	134,443	-	92,882	2,615
Casa Collective	278,248	-	(1,472)	111
PDS Sourcing FZCO	339,195	-	39,273	30,186
PDS Brands Manufacturing FZCO	22,072	-	28,676	5,604
PDS Radius Brands FZCO	775,726	686,530	1,057,001	841,214
PDS Lifestyle FZCO	51,590	76,772	178,025	130,276
PDS Ventures Ltd.	448,913	472,634	21,352	25,497
Roksanda (UK) Limited	376,723	-	312,702	69,855
Brand Collective Corporation Ltd	111,225	-	9,716	-
Poetic Brands Ltd	4,825	-	4,825	-
Progressive Crusade Lda	8,251	-	4,263	-
Progress Manufacturing Group Limited	4,547	-	4,547	-
Krayons Sourcing Limited	2,125	-	2,125	-
Moda & Beyond Limited	4,500	-	4,500	-
Onme Soho Health & Beauty Ltd HK	524,110	-	31,889	-
Spring Near East FZCO	1,068,145	-	105,467	-
Onme Soho Health and Beauty Limited	5,155	-	5,155	-

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

25 Related party transactions

(Continued)

Design Arc Asia Limited	-	-	(2,607)	-
Northern Brands Ltd	67,658	-	11,504	-
OLE Fashion Limited	11,664	-	493	-
Simple Approach Home Limited	58,167	-	(119,845)	-
GSC Link Ltd	2,495	-	2,495	-
Simple Approach UK Ltd	1,057,913	-	1,057,913	-
PDS North America Ltd	112,736	-	112,736	-
Rising Asia Star Ltd	23,052	-	75	-
Sourcing Solutions Ltd	1,250	-	1,250	-
PDS Central America Ltd	85,190	-	85,190	-

The above balances are interest free and repayable on demand.

All the above entities are part of the same PDS group.

26 Directors' transactions

The balance outstanding for loans to key management personnel amount £nil. (2025: £50,670).

27 Controlling party

The immediate parent company is PDS Sourcing Limited, a company registered in Mauritius. The ultimate parent company is PDS Limited, a company registered in India.

PDS Limited, prepares group financial statements and copies can be obtained from Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited, is listed on the BSE and National Stock Exchange in India.

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

28 Cash generated from operations

	2026	2025
	£	£
Loss for the year before taxation	(388,127)	(806,615)
Adjustments for:		
Finance costs	730,159	321,045
Investment income	-	(104)
Loss on disposal of property, plant and equipment	794	-
Amortisation and impairment of intangible assets	751	1,017
Depreciation and impairment of property, plant and equipment	1,074,320	621,324
Equity settled share based payment expense	3,544	(36,144)
Movements in working capital:		
Increase in inventories	(62,032)	-
Increase in trade and other receivables	(680,844)	(3,885,023)
Increase in trade and other payables	1,030,546	4,080,719
Cash generated from operations	<u>1,709,111</u>	<u>296,219</u>

29 Analysis of changes in net debt

	1 April 2025	Cash flows	New leases	31 March 2026
	£	£	£	£
Cash at bank and in hand	92,303	793,958	-	886,261
Bank overdrafts	(267)	267	-	-
	<u>92,036</u>	<u>794,225</u>	<u>-</u>	<u>886,261</u>
Borrowings excluding overdrafts	(6,921,446)	(743,054)	-	(7,664,500)
Lease liabilities	(1,203,031)	362,346	(114,044)	(954,729)
	<u>(8,032,441)</u>	<u>413,517</u>	<u>(114,044)</u>	<u>(7,732,968)</u>

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

29 Analysis of changes in net debt

(Continued)

	1 April 2024	Cash flows	New leases	31 March 2025
Prior year:	£	£	£	£
Cash at bank and in hand	113,065	(20,762)	-	92,303
Bank overdrafts	(20)	(247)	-	(267)
	<u>113,045</u>	<u>(21,009)</u>	<u>-</u>	<u>92,036</u>
Borrowings excluding overdrafts	-	(6,921,446)	-	(6,921,446)
Lease liabilities	(572,994)	393,648	(1,023,685)	(1,203,031)
	<u>(459,949)</u>	<u>(6,548,807)</u>	<u>(1,023,685)</u>	<u>(8,032,441)</u>

30 Prior period adjustment

Changes to the statement of financial position

	At 31 March 2025		
	Previously reported	Adjustment	As restated
	£	£	£
Creditors due within one year			
Other payables	(15,804,557)	(125,209)	(15,929,766)
Net assets	(1,013,110)	(125,209)	(1,138,319)
	<u>(15,817,667)</u>	<u>(250,418)</u>	<u>(16,068,085)</u>
Capital and reserves			
Retained earnings	(2,046,026)	(125,209)	(2,171,235)
Total equity	(1,013,110)	(125,209)	(1,138,319)
	<u>(2,069,142)</u>	<u>(250,418)</u>	<u>(2,319,560)</u>

Changes to the income statement

	Period ended 31 March 2025		
	Previously reported	Adjustment	As restated
	£	£	£
Administrative expenses	(14,225,246)	(125,209)	(14,350,455)
Loss for the financial period	(681,406)	(125,209)	(806,615)
	<u>(14,906,652)</u>	<u>(250,418)</u>	<u>(15,157,070)</u>

PDS FASHIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

30 Prior period adjustment (Continued)

Reconciliation of changes in equity

	1 April 2024	31 March 2025
Notes	£	£
Equity as previously reported	(369,639)	(1,013,110)
Adjustments to prior year		
Bonus provision	-	(125,209)
Equity as adjusted	<u>(369,639)</u>	<u>(1,138,319)</u>
Analysis of the effect upon equity		
Retained earnings	-	(125,209)

Reconciliation of changes in loss for the previous financial period

	2025
Notes	£
Loss as previously reported	(681,406)
Adjustments to prior year	
Bonus provision	(125,209)
Loss as adjusted	<u>(806,615)</u>

Notes to reconciliation

During the current financial year, management identified that the bonus provision for the year ended 31 March 2025 was understated by £125,209 due to an oversight in the accrual process. This error has been corrected retrospectively in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, as adopted under FRS 101.

As a result, the opening balance of retained earnings as at 1 April 2025 has been reduced by £125,209, and the corresponding liability has been increased.

This adjustment has no impact on the current year's profit or loss but ensures that the financial statements reflect a true and fair view of the company's financial position.

PDS FASHIONS LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2026

PDS FASHIONS LIMITED**DETAILED INCOME STATEMENT****FOR THE YEAR ENDED 31 MARCH 2026**

	2026	2026	2025	2025
	£	£	£	£
Revenue				
Sales of goods		77,984		-
Sales of services		12,379,585		12,764,828
		<u>12,457,569</u>		<u>12,764,828</u>
Cost of sales		<u>(73,570)</u>		<u>-</u>
Gross profit	99.41%	12,383,999	100.00%	12,764,828
Other operating income				
Rent receivable from group companies	1,430,386		1,099,655	
Sundry income	40,973		298	
	<u>1,471,359</u>		<u>1,099,953</u>	
Administrative expenses		<u>(13,513,326)</u>		<u>(14,350,455)</u>
Operating profit/(loss)		342,032		(485,674)
Investment revenues				
Other interest received	-		104	
	<u>-</u>		<u>104</u>	
Finance costs				
Bank interest on loans and overdrafts	610,756		155,665	
Finance lease interest payable	42,144		48,130	
Other interest payable	77,259		34,573	
Interest on overdue taxation	-		82,677	
	<u>-</u>		<u>321,045</u>	
Loss before taxation	3.12%	<u>(388,127)</u>	6.32%	<u>(806,615)</u>

PDS FASHIONS LIMITED

SCHEDULES TO THE INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2026

	2026	2025
	£	£
Cost of sales		
Finished goods purchases	135,602	-
Closing stock of finished goods	(62,032)	-
Total cost of sales	73,570	-
	<u>73,570</u>	<u>-</u>

PDS FASHIONS LIMITED**SCHEDULES TO THE INCOME STATEMENT (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2026**

	2026	2025
	£	£
Administrative expenses		
Wages and salaries	8,204,106	9,127,521
Social security costs	1,151,959	1,082,174
Staff recruitment costs	-	110,206
Staff welfare	59,344	122,887
Staff training	-	10,082
Staff pension costs defined contribution	288,734	138,974
Equity settled share based payment costs	3,544	36,144
Directors' remuneration	542,069	489,426
Directors' social security costs	69,499	65,075
Directors' pension costs - defined contribution scheme	11,881	2,642
Commissions payable	18,931	-
Management charge - group	70,419	48,031
Rent re operating leases	8,030	23,642
Rates	135,367	76,714
Cleaning	11,954	11,060
Power, light and heat	6,915	60,633
Property repairs and maintenance	39,478	163,260
Premises insurance	2,181	56,233
Software costs	13,198	13,759
Leasing - motor vehicles	-	13,520
Motor running expenses	-	133
Travelling expenses	298,746	928,113
Postage, courier and delivery charges	22,611	5,040
Professional subscriptions	50,656	72,867
Legal and professional fees	79,249	194,991
Consultancy fees	543,566	249,571
Accountancy	-	5,906
Audit fees	16,900	14,800
Charitable donations	67,983	92,950
Bank charges	4,466	3,824
Bad and doubtful debts	52,899	-
Insurances (not premises)	-	1,383
Printing and stationery	3,026	10,979
Advertising	243,885	24,333
Promotions and exhibitions	78,609	14,149
Telecommunications	11,290	9,375
Other office supplies	55,083	196,779
Entertaining	114,657	14,713
Sundry expenses	47,697	83,177
Car hire/ parking charges	9,214	12,347
Hotel Expenses	1,762	38,693
Amortisation	751	1,017
Depreciation	1,074,320	621,324

PDS FASHIONS LIMITED

SCHEDULES TO THE INCOME STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

	2026	2025
	£	£
Profit or loss on sale of tangible assets (non exceptional)	794	-
Profit or loss on foreign exchange	97,553	23,432
Irrecoverable foreign tax	-	78,576
	<hr/>	<hr/>
	13,513,326	14,350,455
	<hr/> <hr/>	<hr/> <hr/>



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Vinod Vadgama		