

REGISTRAR OF COMPANIES

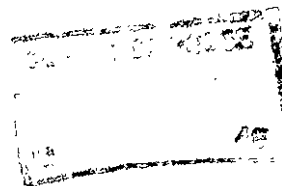
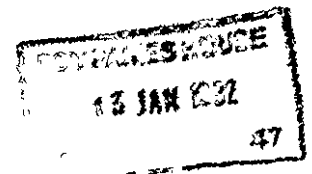
Acorn Sportswear Limited

Financial Accounts for the year ended 31st December 1990

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Acorn Sportswear LimitedREPORT OF THE DIRECTORSFor the year ended 31st December 1990

The Directors present their annual report on the affairs of the Company, together with the Accounts and Auditor's Report for the above year.

1 RESULTS AND DIVIDENDS

The net loss of the Company for the year was £14040 (1989 - profit £761). The Directors recommend that this be added to the accumulated losses at the beginning of the year and that the balance of £(19750) be carried forward.

No goods were exported from the United Kingdom during the year.

2 REVIEW OF THE BUSINESS

The Company's principal activity during the year was the manufacture and sale of leisure clothing.

3 DIRECTORS

The Directors of the Company during the year and their beneficial interests in the issued share capital of the Company at the beginning and end of the year were:

	<u>Ordinary Shares of £1 each</u>	
	<u>31st Dec 1990</u>	<u>31st Dec 1989</u>
G R C Craven	10000	10000
Mrs J Wilde	Nil	Nil

4 POLITICAL AND CHARITABLE DONATIONS

No political or charitable donations were made during the year.

5 STATES

The company is a close company under the provisions of the Taxes Acts.

6 AUDITOR

A resolution will be proposed at the Annual General Meeting to re-appoint the Auditor, S L Williams, who has expressed a willingness to continue in office.

BY ORDER OF THE BOARD

8-1-91
Date

K. B. Smith
Secretary

Report of the Auditor
to the members of
Acorn Sportswear Limited

I have audited the Accounts set out on pages 1 to 12. My audit was conducted in accordance with the Auditing Standards, having regard to the matters referred to in the following paragraph.

In common with many other companies of a similar size the Company's internal control procedures are limited and dependent on the close involvement of the Directors, who are also shareholders. Where independent confirmation of the completeness of the records was not available, I have accepted assurances from the Directors that all of the Company's transactions have been reflected in the records. In particular I have relied on the directors valuation of stock and work in progress in the sum of £45879.

Subject to the foregoing, in my opinion the Accounts give a true and fair view of the state of the Company at 31st December 1990 and of its loss and source and application of funds for the year then ended and comply with Section 236 (2) of the Companies Acts 1985.

S. L. Williams

S L WILLIAMS
Registered Auditor &
Chartered Accountant

PROFIT AND LOSS ACCOUNTYear ended 31st December 1990

	<u>Notes</u>	<u>31st Dec 1990</u> £	<u>31st Dec 1989</u> £
Turnover	2	251932	244787
Cost of Sales		187163	181797
GROSS PROFIT		64769	62990
Administration Costs		78809	62231
OPERATING (LOSS)/PROFIT	3	(14040)	759
Income from Investments: Bank interest received		-	2
(LOSS)/PROFIT ON ORDINARY ACTIVITIES		(14040)	761
Taxation	5	-	-
(LOSS)/PROFIT FOR THE YEAR		(14040)	761
ACCUMULATED LOSSES Brought forward		(5710)	(6469)
Carried forward		£ (19750)	£ (5708)

Acorn Sportswear LimitedBALANCE SHEETAs at 31st December 1990

	<u>Note</u>	<u>31st Dec 1990</u>		<u>31st Dec 1989</u>	
		£	£	£	£
FIXED ASSETS	6				
Intangible Assets		2800		2800	
Tangible Assets		33472		26512	
		-----		-----	
			36272		29312
CURRENT ASSETS					
Stock and work-in-progress	7	45879		40966	
Debtors	8	40318		21062	
Cash in hand		-		45	
		-----		-----	
		86197		62073	
CREDITORS	9				
Amounts due within one year		102378		76176	
		-----		-----	
NET CURRENT LIABILITIES			(16181)		(14103)
			-----		-----
TOTAL ASSETS LESS CURRENT LIABILITIES			20091		15209
CREDITORS	9				
Amounts due in more than one year		24841		5917	
		-----		-----	
		£ (4750)		£ 9292	
		-----		-----	
CAPITAL AND RESERVES					
Share Capital	12	15000		15000	
Profit and Loss Account		(19750)		(5708)	
		-----		-----	
		£ (4750)		£ 9292	
		-----		-----	

Chen.....)
W. W. W. W......) DIRECTORS
 21.2.1991) DATE

Acorn Sportswear LimitedStatement of Source and Application of FundsYear ended 31st December 1990

	<u>31st Dec 1990</u>		<u>31st Dec 1989</u>	
	£	£	£	£
TRADING SOURCE OF FUNDS				
Net Profit/(Loss) Before Taxation		(14040)		761
Adjustment For Items Not Involving The Movement of Funds:				
Depreciation		8331		5968
		-----		-----
OTHER SOURCES OF FUNDS		(5709)		6729
Hire purchase		10000		-
Bank loan		15000		-
		-----		-----
APPLICATION OF FUNDS		19291		6729
Purchase of fixed assets	15292		7497	
Repayment in Directors' loans	-		5419	
Hire purchase repayments	834		-	
Bank loan repayments	2529		-	
	-----		-----	
		17715		12916
		-----		-----
Increase in Working Capital	£ 1576		£ (6187)	
	-----		-----	
INCREASE/(DECREASE) IN WORKING CAPITAL				
Stock and Work In Progress		4913		13271
Debtors		19256		7891
Creditors		(17012)		(16599)
Movement in Net Liquid Funds:				
Bank Balances & Cash Funds		(5581)		(10750)
		-----		-----
	£ 1576		£ (6187)	
	-----		-----	

Acorn Sportswear LimitedNOTES TO THE ACCOUNTSYear ended 31st December 19901 ACCOUNTING POLICIES

- a. The Accounts have been prepared under the Historic Cost Convention.
- b. Turnover represents the net amount of invoices to customers less credit notes for goods returned, excluding VAT.
- c. Depreciation is provided on the tangible assets in equal instalments over their estimated lives. The following rates apply :-

Vehicles	20%
Plant and Equipment	20%
Fixtures & Fittings	10%

- d. Stock and work in progress is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Costs includes all direct expenditure.
- e. No provision for deferred taxation is necessary in view of the accumulated losses.

2 TURNOVER

The turnover and loss (1989 - profit) before taxation is attributable to the Company's principal activity, namely, the manufacture of leisure garments.

3 OPERATING LOSS

The operating loss (1989 - profit) is stated after charging:

	<u>31st Dec 1990</u>	<u>31st Dec 1989</u>
	£	£
Depreciation of tangible fixed assets	8331	5968
Auditor's fees	500	500
Staff costs (Note 4)	77077	61390
Bank interest	431	2752
Loan interest	2049	20
Share purchase interest	460	-
Vat surcharge	-	2047
	*****	*****

Acorn Sportswear LimitedNOTES TO THE ACCOUNTSYear ended 31st December 19904 STAFF COSTS

	<u>31st Dec 1990</u>	<u>31st Dec 1989</u>
	£	£
Director's remuneration	27973	18294
Wages and subcontract	40400	36571
Director's pension scheme	3121	2151
National Insurance costs	5583	4374
	-----	-----
	77077	61390
	-----	-----

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

	<u>31st Dec 1990</u>	<u>31st Dec 1989</u>
Office and Management	2	2
Production and Sales	6	6

Directors' Remuneration :-

	<u>31st Dec 1990</u>	<u>31st Dec 1989</u>
	£	£
Highest paid Director	19000	10600
	-----	-----
Other Directors :-	nil	nil
£5001 - £5,000	1	1
£10,001 - £10,000	-----	-----

5 TAXATION

The Company has no liability to Corporation Tax.

Acorn Sportswear LimitedNOTES TO THE ACCOUNTSYear ended 31st December 19906 FIXED ASSETS

a. <u>Intangible Assets</u>	Cost at Start £	Additions £	Amort- isation £	Net Book Value £
Goodwill	2800 *****	- *****	- *****	2800 *****
b. <u>Tangible Assets</u>	Freehold Property £	Leasehold Property £	Vehicles & Equipment £	Total £
COST:				
At 1st January 1990	-	-	39158	39158
Addition During Year	-	-	15292	15292
	-	-	54450	54450
DEPRECIATION:				
At 1st January 1990	-	-	12647	12647
Charge for Year	-	-	8331	8331
	-	-	20978	20978
NET BOOK VALUE				
At 31st December 1990	-	-	33472	33472
	-	-	26512	26512

At 31st December 1990 there were no capital commitments.

7 STOCKS

	<u>31st Dec 1990</u>	<u>31st Dec 1989</u>
Stock and work-in-progress	£ 45879 *****	£ 40966 *****

Acorn Sportswear LimitedNOTES TO THE ACCOUNTSYear ended 31st December 19908 DEBTORS

	<u>31st Dec 1990</u>	<u>31st Dec 1989</u>
	£	£
Amounts due within one year:-		
Trade debtors	38006	20545
Prepayments	2312	517
	-----	-----
	40318	21062
	*****	*****

9 CREDITORS

	<u>31st Dec 1990</u>	<u>31st Dec 1989</u>
	£	£
Amounts due within one year:-		
Trade creditors	32167	27757
Taxation and Social Security	22048	14916
Value added tax	13638	8679
Accruals	3680	3715
Bank overdraft (Note 10)	26645	21109
Bank loan (Note 10)	2200	-
Hire purchase (Note 11)	2000	-
	-----	-----
	102378	76176
	*****	*****

Amounts due after more than one year:-

Director's loan account	677	132
Secured loan	3000	3000
Unsecured loan	2785	2785
Bank loan (Note 10)	11212	-
Hire purchase (Note 11)	7167	-
	-----	-----
	24841	5917
	*****	*****

10 BANK LOANS AND OVERDRAFTS

The bank loan amounting to £13412 is repayable in annual instalments of £2200 on an increasing basis.

Acorn Sportswear LimitedNOTES TO THE ACCOUNTSYear ended 31st December 199011 HIRE PURCHASE OBLIGATIONS

	<u>31st Dec 1990</u>	<u>31st Dec 1989</u>
	£	£
Amount repayable within one year	2000	-
Amount repayable after one year	7167	-
	-----	-----
	9167	-
	-----	-----

12 CALLED UP SHARE CAPITAL

	<u>31st Dec 1990</u>	<u>31st Dec 1989</u>
	£	£
Authorised:	15000	15000
Allotted, Issued and Fully Paid		
Authorised:	15000	15000

13 CONTINGENT LIABILITY

There are no contingent liabilities.

14 TRANSACTIONS WITH DIRECTORSa. Loans to Directors

No loans were made to Director's during the year.