

Company No. 0266 7787

BIRRS SPORTSWEAR (UK) LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 1996



BIRRS SPORTSWEAR (UK) LIMITED  
ABBREVIATED ACCOUNTS  
YEAR ENDED 31 DECEMBER 1996

---

CONTENTS

PAGES

1	AUDITORS' REPORT
3	ABBREVIATED BALANCE SHEET
4 - 5	NOTES TO THE ABBREVIATED ACCOUNTS

BIRRS SPORTSWEAR (UK) LIMITED

PURSUANT TO PARAGRAPH 8 OF SCHEDULE 8 TO THE COMPANIES ACT

We have examined the abbreviated accounts on pages 3 to 5 together with the full financial statements of Birrs Sportswear (UK) Limited for the year ended 31 December 1996. The scope of our work for the purpose of this report was limited to confirming that the directors are entitled to deliver abbreviated accounts and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the directors are entitled under Section 246 and Section 247 of the Companies Act 1985 to deliver abbreviated accounts in respect of the year ended 31 December 1996 and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with Schedule 8 to that Act.

On 28 October 1996, as auditors of Birrs Sportswear (UK) Limited, we reported to the members on the full financial statements for the year ended 31 December 1996, prepared under Section 226 of the Companies Act 1985, and our audit report was as follows:

'We have audited the financial statements set out on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

#### **Respective responsibilities of the directors and auditors**

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion on those statements, based on our audit, and to report to you.

#### **Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### **Fundamental uncertainty**

In forming our opinion we have had regard/.....

...../In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

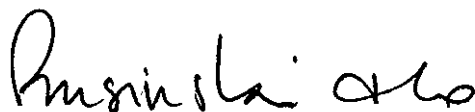
**Fundamental uncertainty**

In forming our opinion we have had regard for the accumulated deficit of £19,196. The financial statements have been prepared on a going concern basis, the validity of which depends upon the success of the company's operations and the continued financial support of the company's directors and creditors. The financial statements do not include any adjustments that would arise should the company be unable to continue trading or that would arise from a failure to secure and maintain such continued financial support. Our opinion is not qualified in this respect.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1996 and of its loss for the year ended and have been properly prepared in accordance with the Companies Act 1985."

PRUSINSKI & Co.



Chartered Accountants  
and Registered Auditor

Loughborough

28 October 1996

## ABBREVIATED BALANCE SHEET


31 DECEMBER 1996

	Note	£	1996	£	£	1995	£
FIXED ASSETS	2			813			2,271
CURRENT ASSETS							
Stock		13,609			12,965		
Debtors		6,740			10,110		
Cash at bank and in hand		5,926			3,453		
		26,275			26,528		
CREDITORS - Amounts falling due within one year		46,184			43,297		
NET CURRENT LIABILITIES			(19,909)			(16,769)	
TOTAL ASSETS LESS CURRENT LIABILITIES			(19,096)			(14,498)	
CREDITORS - Amounts falling due after more than one year		-			(4,000)		
PROVISIONS FOR LIABILITIES AND CHARGES							
Deferred taxation		-	-	-	-	(4,000)	
			(19,096)			(18,498)	
CAPITAL AND RESERVES							
Called up share capital	3		100			100	
Profit and loss account			(19,196)			(18,598)	
			(19,096)			(18,498)	

We have relied on Section 246 and Section 247 of the Companies Act 1985 as entitling us to deliver abbreviated accounts on the ground that the company is entitled to benefit from the exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 as a small company.

Approved by the board on 28 October 1996

C. P. SIMMONS



## 1 ACCOUNTING POLICIES

In accordance with the Companies Act 1985 these financial statements have been prepared under the historical cost convention.

The principal accounting policies adopted in their preparation are as follows:

### 1.1 Tangible fixed assets and depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset, less estimated residual value, by equal annual instalments over its expected useful life, on the following bases:

Plant and machinery	20%
Fixtures and fittings	20%

Periodic reviews are made to take into account usage and obsolescence.

### 1.2 Stock

Stock is stated at the lower of cost and net realisable value.

Cost comprises the direct cost of acquisition and the attributable proportion of all overheads appropriate to location and condition.

Net realisable value is the estimated selling price reduced by all costs of completion, marketing, selling and distribution.

Provision is made for obsolete and slow-moving stocks.

### 1.3 Deferred taxation

Provision is only made for deferred taxation to the extent that it is probable that a liability will crystallise in the foreseeable future. The provision is calculated at the rate of corporation tax which it is anticipated will apply when the tax becomes payable.

### 1.4 Hire purchase, finance leases and operating lease agreements

Tangible fixed assets which are the subject of hire purchase or finance lease agreements are capitalised on the basis of actual cost or discounted minimum lease payments. Instalments payable under each agreement are apportioned between capital and revenue to write off the finance charge in equal amounts over the period of the agreement.

Rentals under operating leases are charged to revenue as they fall due.

### 1.5 Cash flow statement

The company qualifies as a small company under Section 247 of the Companies Act 1985 and accordingly has not prepared a cash flow statement under the exemption provided by Financial Reporting Standard No.1.

2 TANGIBLE FIXED ASSETS

	<u>Plant and machinery</u>	<u>Fixtures &amp; fittings</u>	<u>Total</u>
Cost	£	£	£
At 31 December 1995	6,900	393	7,293
Additions	-	-	-
Disposals	-	-	-
At 31 December 1996	<u>6,900</u>	<u>393</u>	<u>7,293</u>
Depreciation			
At 31 December 1995	4,710	312	5,022
Charge for year	1,380	78	1,458
Disposals	-	-	-
At 31 December 1996	<u>6,090</u>	<u>390</u>	<u>6,480</u>
Net book amounts			
At 31 December 1995	<u>2,190</u>	<u>81</u>	<u>2,271</u>
At 31 December 1996	<u>810</u>	<u>3</u>	<u>813</u>

3 CALLED UP SHARE CAPITAL

There has been no change during the year.

	<u>Authorised</u>	<u>Allotted and fully paid</u>
	£	£
Ordinary shares of £1 each	<u>1,000</u>	<u>100</u>

4 CONTINGENT LIABILITIES

The company has given a guarantee to Midland Bank plc in respect of the borrowings of a related company.

At 31 December 1996 and 31 December 1995 the contingent liability under this guarantee amounted to £2,321 and £624 respectively.