

**SERVICE SPORT (UK) LIMITED
UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 30 DECEMBER 2022**

SERVICE SPORT (UK) LIMITED
UNAUDITED ACCOUNTS
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SERVICE SPORT (UK) LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 DECEMBER 2022

Directors	Colin Marriott Michael Ellis Christopher Crane
Company Number	03744012 (England and Wales)
Registered Office	SERVICESPORT HOUSE UNITS 1 & 2 DRUMHEAD CHORLEY NORTH BUSINESS PARK CHORLEY LANCASHIRE PR6 7BX
Accountants	Litke Wood & Co Limited 105 Witton Street Northwich Cheshire CW9 5DR

SERVICE SPORT (UK) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 DECEMBER 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	<u>5</u>	299,797	208,991
Current assets			
Inventories		613,183	271,743
Debtors	<u>6</u>	1,534,379	1,212,816
Cash at bank and in hand		97,882	195,348
		<u>2,245,444</u>	<u>1,679,907</u>
Creditors: amounts falling due within one year	<u>7</u>	(2,267,204)	(1,746,797)
Net current liabilities		<u>(21,760)</u>	<u>(66,890)</u>
Total assets less current liabilities		278,037	142,101
Provisions for liabilities			
Deferred tax		(3,979)	(3,979)
Net assets		<u>274,058</u>	<u>138,122</u>
Capital and reserves			
Called up share capital	<u>9</u>	1,000	1,000
Share premium		10,165	10,165
Profit and loss account		262,893	126,957
Shareholders' funds		<u>274,058</u>	<u>138,122</u>

For the year ending 30 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - Small Entities. The profit and loss account has not been delivered to the Registrar of Companies.

The financial statements were approved by the Board of Directors and authorised for issue on 5 April 2023 and were signed on its behalf by

Colin Marriott
Director

Company Registration No. 03744012

SERVICE SPORT (UK) LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 DECEMBER 2022

1 Statutory information

SERVICE SPORT (UK) LIMITED is a private company, limited by shares, registered in England and Wales, registration number 03744012. The registered office is SERVICESPORT HOUSE UNITS 1 & 2 DRUMHEAD , CHORLEY NORTH BUSINESS PARK, CHORLEY, LANCASHIRE, PR6 7BX.

2 Compliance with accounting standards

The accounts have been prepared in accordance with the provisions of FRS 102 Section 1A Small Entities. There were no material departures from that standard.

3 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

Presentation currency

The accounts are presented in £ sterling.

Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 3 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

SERVICE SPORT (UK) LIMITED
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Tangible fixed assets and depreciation

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

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.

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:

Land & buildings	33% straight line
Plant & machinery	15% straight line
Motor vehicles	25% straight line
Fixtures & fittings	25% straight line

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.

Inventories - stock of parts and finished goods

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

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

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments 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.

SERVICE SPORT (UK) LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 DECEMBER 2022

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 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 instruments are recognised at amortised cost, except for investments in non-convertible preference and non-puttable ordinary shares which are measured at fair value, with changes recognised in profit or loss. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in profit or loss.

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, including trade and other 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.

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

Equity instruments

Equity instruments issued by the company are recorded at the fair value of 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.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred taxation

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Deferred tax assets and liabilities are not discounted.

SERVICE SPORT (UK) LIMITED
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Foreign exchange

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rates of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profit on a straight line basis over the lease term.

Assets held under finance leases and hire purchase contracts are capitalised and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease at a constant proportion of the outstanding balance of capital repayments.

Pension costs

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are recognised in the profit and loss account when due.

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.

4 Intangible fixed assets

	Goodwill
	£
Cost	
At 31 December 2021	204,167
At 30 December 2022	204,167
Amortisation	
At 31 December 2021	204,167
At 30 December 2022	204,167
Net book value	
At 30 December 2022	-

SERVICE SPORT (UK) LIMITED
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5 Tangible fixed assets	Land & buildings	Plant & machinery	Motor vehicles	Fixtures & fittings	Computer equipment	Total
	£	£	£	£	£	£
Cost or valuation	At cost	At cost	At cost	At cost	At cost	
At 31 December 2021	55,358	284,280	180,251	275,794	27,500	823,183
Additions	6,871	9,090	221,436	17,009	-	254,406
Disposals	-	(20,000)	(48,500)	-	-	(68,500)
At 30 December 2022	62,229	273,370	353,187	292,803	27,500	1,009,089
Depreciation						
At 31 December 2021	36,906	223,427	90,743	235,616	27,500	614,192
Charge for the year	18,453	26,641	49,136	14,772	-	109,002
On disposals	-	(2,787)	(11,115)	-	-	(13,902)
At 30 December 2022	55,359	247,281	128,764	250,388	27,500	709,292
Net book value						
At 30 December 2022	6,870	26,089	224,423	42,415	-	299,797
At 30 December 2021	18,452	60,853	89,508	40,178	-	208,991

6 Debtors	2022	2021
	£	£
Amounts falling due within one year		
Trade debtors	1,358,046	785,254
Amounts due from group undertakings etc.	-	282,658
Accrued income and prepayments	159,449	133,590
Other debtors	16,884	11,314
	<u>1,534,379</u>	<u>1,212,816</u>

7 Creditors: amounts falling due within one year	2022	2021
	£	£
Bank loans and overdrafts	541,289	446,207
VAT	166,917	213,638
Obligations under finance leases and hire purchase contracts	295,119	210,369
Trade creditors	628,052	435,231
Amounts owed to group undertakings and other participating interests	-	102,291
Taxes and social security	238,826	173,090
Other creditors	10,567	17,679
Loans from directors	(4,667)	3,989
Accruals	391,101	144,303
	<u>2,267,204</u>	<u>1,746,797</u>

Included within other creditors are amounts relating to an invoice financing facility which amount to £505,189 (2018: £352,555). These amounts are secured by a first fixed and floating charge over the assets in the business.

Included within other creditors are amounts relating to finance lease obligations which amount to £32,719 (2018 £69,072). These amounts are secured by the asset the finance lease relates to.

Included within other creditors are amounts relating to finance lease obligations which amount to £70,367 (2018: £118,297). These amounts are secured by the asset the finance lease relates to.

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9 Share capital	2022	2021
	£	£
Allotted, called up and fully paid:		
95,000 A Ordinary Shares of £0.01 each of £0.01 each	950	950
2,400 B Ordinary Shares of £0.01 each of £0.01 each	24	24
2,400 C Ordinary Shares of £0.01 each of £0.01 each	24	24
100 D Ordinary Shares of £0.01 each of £0.01 each	1	1
100 E Ordinary Shares of £0.01 each of £0.01 each	1	1
	<u>1,000</u>	<u>1,000</u>

10 Loans to directors

Dividends totalling £660 (2019: £660) were paid in the year in respect of shares held by the company's directors.

Within other creditors are amounts due to directors which amounted to £3,467 (2019: £NIL).

Included within creditors are amounts relating to loans which amount to £277,997 (2019: £323,787). These amounts are secured by a personal guarantee provided by the director.

11 Transactions with related parties

During the year the company made sales to Servicesport Finance Limited of £142,888 (2019: £146,016) and at the year end the amount was due from Servicesport Finance Limited was £425,745 (2019: £165,070). At the year end the amount due to Servicesport Group Limited was £379,177 (2018: £203,595 due from). During the year the company made sales to Instyle Clothing Limited of £10,676 (2019:£nil). At the end of the year the amount due to Instyle Clothing Limited was £2,821 (2019:£nil). These companies are related through common control.

12 Controlling party

The ultimate parent company is Service Sport Group a company registered in England under company number 12361863 and whose registered office is 1-2 Drumhead Road, Chorley North Industrial Park, Chorley, PR6 7BX.

13 Average number of employees

During the year the average number of employees was 65 (2021: 65).

