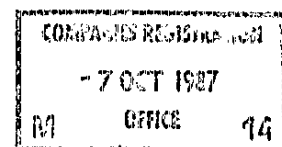


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SLAZENGERS LIMITED

DIRECTORS' REPORT AND ACCOUNTS

31 December 1986



SLAZENGERS LIMITED

DIRECTORS REPORT

Directors: P G Austen
J E Barrett
C M Dowie
A J Finden-Crofts
B Waters

Secretary: C M Dowie

Registered Office: Challenge House, Mitcham Road, Croydon,
Surrey, CR9 3AU

The Directors submit their report together with the Audited
Accounts of Slazengers Limited for the year ended 31 December
1986.

Mr P G Austen was appointed to the Board on 6 March 1987.

Mr J E Barrett and Mr B Waters retire by rotation and, being
eligible, offer themselves for re-election.

DIRECTORS' INTERESTS

Except as stated below none of the Directors had an interest in
the shares of BTR plc or any of its Subsidiaries at 31 December
1986.

Senior Executive Option Scheme
28 December 1985 31 December 1986

C M Dowie	10,000	18,000
A J Finden-Crofts	30,000	67,500
B Waters	-	15,000

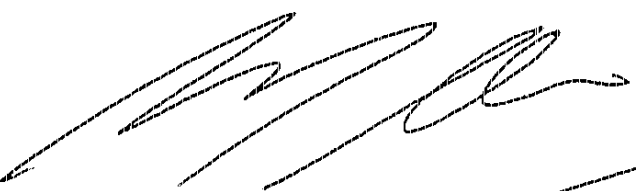
PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS DEVELOPMENTS

The Company has not traded during the year.

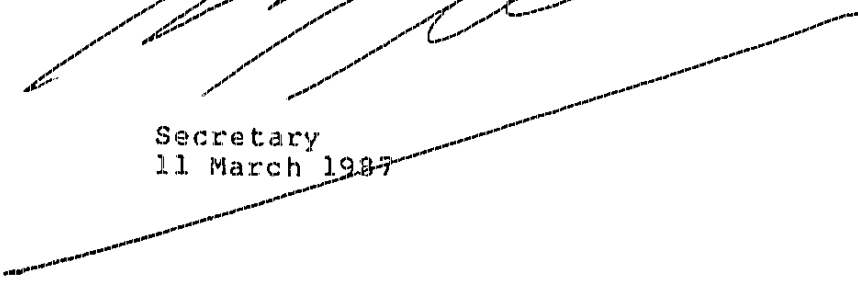
AUDITORS

In accordance with Section 384 of the Companies Act 1985 a resolution proposing the re-appointment of Ernst & Whinney as Auditors of the Company will be proposed at the Annual General Meeting.

By order of the Board



Secretary
11 March 1987



REPORT OF THE AUDITORS TO THE MEMBERS OF SLAZENGERS LIMITED

We have Audited the Accounts on pages 4 to 6 in accordance with approved auditing standards. The Accounts have been prepared under the historical cost convention.

In our opinion the Accounts give a true and fair view of the state of affairs of the Company at 31 December 1986 and comply with the Companies Act 1985.

Ernst & Whinney

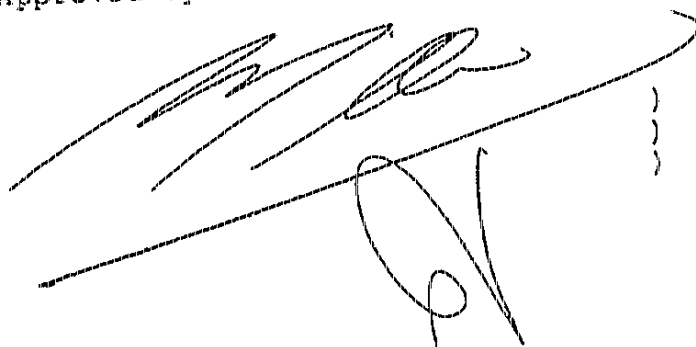
11 March 1987

SLAZENGERS LIMITED

BALANCE SHEET - 31 DECEMBER 1986

	<u>Notes</u>	<u>1986</u> <u>£'000</u>	<u>1985</u> <u>£'000</u>
FIXED ASSETS			
Investments	3	<u>60</u>	<u>60</u>
		<u>60</u>	<u>60</u>
CREDITORS: amounts falling due within one year	4	<u>(1,230)</u>	<u>(1,230)</u>
NET CURRENT LIABILITIES		<u>(1,230)</u>	<u>(1,230)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,170)</u>	<u>(1,170)</u>
CAPITAL AND RESERVES			
Called-up Share Capital	5	904	904
Profit and Loss Account		<u>(2,074)</u>	<u>(2,074)</u>
		<u>(1,170)</u>	<u>(1,170)</u>

Approved by the Board on 11 March 1987


 Directors

SLAZENGERS LIMITED

NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICIES

Accounting convention

The Accounts have been prepared under the historical cost convention.

2 DIRECTORS' REMUNERATION

None of the Directors who served during the year received any emoluments.

3 INVESTMENTS

At 31 December 1986 Slazengers Limited held shares in the following Subsidiary Companies:

	Description of Share held	Proportion of Nominal value of Issued Shares
Litesome Sportswear Ltd	Ordinary	100%
Gradidges Limited	Ordinary	100%
William Sykes Limited	Ordinary	100%

As this Company is a wholly owned Subsidiary of a company incorporated in England, no Group Accounts are submitted.

In the option of the Directors, the value of the Company's investments in its Subsidiaries is not less than the amount at which they are included in the balance sheet.

	1986 £'000	1985 £'000
Shares at cost	244	244
Less:		
Amounts written off	<u>(184)</u> <u>60</u>	<u>(184)</u> <u>60</u>

4 CREDITORS

	<u>1986</u> <u>£'000</u>	<u>1985</u> <u>£'000</u>
Amounts falling due within one year		
Amounts owed to Holding Company and fellow Subsidiaries	<u>1,230</u>	<u>1,230</u>

5 SHARE CAPITAL

	Authorised		Issued & fully Paid	
	1986 £'000	1985 £'000	1986 £'000	1985 £'000
Ordinary Shares of 25p each	950	950	904	904

6 HOLDING COMPANY

The Company's ultimate Holding Company at 31 December 1986 was BTR plc which is incorporated in England.