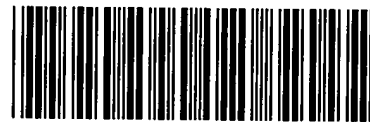


Company Registration No. 00988970 (England and Wales)

OUTDOOR & SPORTS COMPANY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

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COMPANIES HOUSE

OUTDOOR & SPORTS COMPANY LIMITED

COMPANY INFORMATION

Directors

S J Cann
I M Bickerstaffe (Appointed 7 July 2015)
P A Allison (Appointed 15 July 2015)

Secretary

S J Cann

Company number

00988970

Registered office

Suite 4, Bailey Court
Green Street
Macclesfield
SK10 1JQ

Auditors

RSM UK Audit LLP
3 Hardman Street
Manchester
M3 3HF

Business address

Redfern House,
Dawson Street
Hyde
Cheshire
SK14 1RD

OUTDOOR & SPORTS COMPANY LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 5
Statement of total comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Notes to the financial statements	9 - 24

OUTDOOR & SPORTS COMPANY LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present the strategic report and financial statements for the year ended 31 December 2015.

Review of the business

During the period the company continued to merchant sports and outdoor clothing.

Key performance indicators

The company's key financial and other performance indicators during the period were as follows:

	12 month period 2015	12 month period 2014
Turnover	£25.7m	£26.9m
Gross profit	£7.5m	£7.6m
Gross profit %	29.2%	28.2%
Operating profit	£1.17m	£1.50m
Stock	£6.2m	£7.3m
Shareholder funds	£3.73m	£3.39m

Review of the business

Gross margin volumes were maintained with the margin % rising from 28.2% to 29.2% in a challenging year which saw turnover fall by 4.3% on the back of a mild winter. The business made progress despite the mild weather by reducing stocks by £1.1m on the previous year. The directors expect a return to growth in 2016.

Development and performance of the business

Export sales decreased by 6.5% but still represented 35% of total turnover in the period. Despite this sales to export markets and a focus on continuous product development are seen as the drivers for long term growth of the business.

Position at the end of the period

Under FRS102 the directors have elected to revalue the property on transition. This has resulted in an increase of £361k to the value of property. The balance sheet at the end of the period shows that the company's net assets have increased by £0.34m to £3.73m.

Principal risks and uncertainties

The Board carefully considers existing and new challenges and opportunities for the company within the markets in which it operates. The key risks that the company faces are the economic situation, currency risk, weather and cyber risks. The company endeavours to manage these wherever possible. The ongoing operational and financial performance of the business is a key part of every Board meeting and a main agenda item. The Directors have carefully considered the risk profile of the business over the last year and for the future.

The Directors would like to thank all the staff as without their significant contribution these results would not be possible.

On behalf of the board



S J Cann

Director

12/09/16

OUTDOOR & SPORTS COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their annual report and financial statements for the year ended 31 December 2015.

Principal activities

Outdoor & Sports Company Ltd continues to merchant sports and outdoor clothing.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

S J Cann

B J Berryman

I M Bickerstaffe

P A Allison

(Resigned 7 July 2015)

(Appointed 7 July 2015)

(Appointed 15 July 2015)

Results and dividends

The results for the year are set out on page 6.

The profit for the period, after taxation, amounted to £946,433 (2014: £1,188,279). A dividend of £600,000 was paid during the year (2014: £600,000)

Financial instruments

The company uses financial instruments, other than derivatives, comprising borrowings, cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The main risks arising from the company financial instruments are interest rate risk, liquidity risk and foreign currency risk. The directors review and agree policies for managing each of these risks and they are summarised below. The policies have remained unchanged from previous periods.

Liquidity risk

The company seeks to manage liquidity risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Primarily this is achieved through inter-company accounts or through loans arranged at group level. Short term flexibility is achieved by overdraft facilities.

Interest rate risk

The company finances its operations through a mixture of retained profits, inter-company accounts and bank borrowings. The company's exposure to interest rate fluctuations on its borrowings is managed on a group basis by the use of both fixed and floating facilities.

Foreign currency risk

The company is exposed to transaction foreign exchange risk. Transaction exposures are hedged when known, mainly using the forward hedge market.

Credit risk

In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history.

Auditors

The auditors, RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), are deemed to be reappointed under section 487(2) of the Companies Act 2006.

OUTDOOR & SPORTS COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, the Directors Report and the financial statements in accordance with applicable law and regulations.

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. 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;
- 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.

Strategic Report

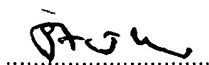
The information required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 has been included in the separate Strategic Report in accordance with section 414c (11) of the Companies Act 2008 (Strategic Report and Directors Report) Regulations 2013.

Statement of disclosure to auditors

Each of the directors in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



S J Cann

Director

12/09/16

OUTDOOR & SPORTS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OUTDOOR & SPORTS COMPANY LIMITED

We have audited the financial statements of Outdoor & Sports Company Limited for the year ended 31 December 2015 set out on pages 6 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

OUTDOOR & SPORTS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF OUTDOOR & SPORTS COMPANY LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.

Peter Donnelly

Peter Donnelly FCA (Senior Statutory Auditor)

for and on behalf of RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor
Chartered Accountants

3 Hardman Street
Manchester
M3 3HF

12/09/16

OUTDOOR & SPORTS COMPANY LIMITED

STATEMENT OF TOTAL COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Turnover	3	25,723,504	26,877,924
Cost of sales		(18,212,668)	(19,292,900)
Gross profit		7,510,836	7,585,024
Distribution costs		(1,770,562)	(1,813,349)
Administrative expenses		(4,690,024)	(4,482,793)
Royalty income		121,983	208,922
Operating profit	4	1,172,233	1,497,804
Interest payable and similar charges	7	(205,858)	(234,278)
Profit before taxation		966,375	1,263,526
Tax on profit	8	(19,942)	(75,247)
Profit for the financial year		946,433	1,188,279
Total comprehensive income for the year		946,433	1,188,279

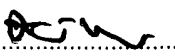
OUTDOOR & SPORTS COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Intangible assets	10		74		238
Tangible assets	11		923,846		1,030,221
			<u>923,920</u>		<u>1,030,459</u>
Current assets					
Stocks	13	6,176,833		7,255,344	
Debtors	14	6,263,210		5,867,546	
Cash at bank and in hand		45,974		289,280	
		<u>12,486,017</u>		<u>13,412,170</u>	
Creditors: amounts falling due within one year	16	9,518,752		10,833,298	
		<u></u>		<u></u>	
Net current assets			2,967,265		2,578,872
Total assets less current liabilities			<u>3,891,185</u>		<u>3,609,331</u>
Creditors: amounts falling due after more than one year	16		(115,239)		(176,430)
Provisions for liabilities			(40,996)		(44,384)
			<u></u>		<u></u>
Net assets			<u>3,734,950</u>		<u>3,388,517</u>
Capital and reserves					
Called up share capital	20	1,400,000		1,400,000	
Revaluation reserve		361,217		361,217	
Profit and loss reserves		1,973,733		1,627,300	
		<u></u>		<u></u>	
Total equity			<u>3,734,950</u>		<u>3,388,517</u>

The financial statements were approved by the board of directors and authorised for issue on ...12/09/16...
Signed on its behalf by:


S J Cann
Director

Company Registration No. 00988970

OUTDOOR & SPORTS COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Share capital £	Revaluation reserve £	Retained earnings £	Total £
Balance at 1 January 2014		1,400,000	-	1,119,891	2,519,891
Effect of transition to FRS 102		-	361,217	(80,870)	280,347
As restated		<u>1,400,000</u>	<u>361,217</u>	<u>1,039,021</u>	<u>2,800,238</u>
Profit and total comprehensive income for the year		-	-	1,188,279	1,188,279
Dividends	9	-	-	(600,000)	(600,000)
Balance at 31 December 2014		<u>1,400,000</u>	<u>361,217</u>	<u>1,627,300</u>	<u>3,388,517</u>
Profit and total comprehensive income for the year		-	-	946,433	946,433
Dividends	9	-	-	(600,000)	(600,000)
Balance at 31 December 2015		<u><u>1,400,000</u></u>	<u><u>361,217</u></u>	<u><u>1,973,733</u></u>	<u><u>3,734,950</u></u>

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

Company information

Outdoor & Sports Company Limited is a limited company domiciled and incorporated in England and Wales. The registered office is Suite 4, Bailey Court, Green Street, Macclesfield, SK10 1JQ. The company's principal activities are disclosed in the Strategic Report.

1.1 Accounting convention

These financial statements are the first financial statements of Outdoor & Sports Company Limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of Outdoor & Sports Company Limited for the year ended 31 December 2014 were prepared in accordance with previous UK GAAP.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Adjustments are recognised directly in retained earnings at the transition date.

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 on the historical cost convention. The principal accounting policies adopted are set out below.

- The company has taken advantage of the following disclosure exemptions:
- The requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv).
- The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d).
- The requirement of Section 33 Related Party Disclosures paragraph 33.9.

Outdoor & Sports Company Limited is a wholly owned subsidiary of Bollin Group Limited, a company incorporated in United Kingdom, and the results of Outdoor & Sports Company Limited are included in the consolidated financial statements of Bollin Group Limited which are publicly available.

1.2 Going concern

The directors have concluded that it is appropriate to prepare the accounts on a going concern basis as the company had adequate cash resources and financial projections indicate that the company will continue to trade within its existing bank facilities.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Royalty income is recognised on an accruals basis in accordance with the substance of the relevant agreement.

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

1.4 Intangible fixed 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 if the fair value can be measured reliably.

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:

Patents

Patents are stated at cost less amortisation. Patents and trademarks purchased by the company are amortised over their respective useful lives.

1.5 Tangible fixed assets

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

Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost of an asset net of anticipated disposal proceeds over the useful economic life of that asset as follows:

Land and buildings Freehold	2% straight line
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% straight line

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.

1.6 Impairment of fixed 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.

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. 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) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Stocks

Stocks are stated at the lower of cost and net realisable value. 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.

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

1.8 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.

1.9 Financial assets

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 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. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through profit or loss are measured at fair value.

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

Loans and receivables

Trade debtors, 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, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

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.

1.10 Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through profit or loss are measured at fair value.

Other financial liabilities

Other financial liabilities, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities

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

1.11 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.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

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 recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax.

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities recognised have not been discounted.

Deferred tax is measured on a non-discounted basis at the average tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.13 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.

1.14 Retirement benefits

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.16 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions, or at an average rate for the period if the rates do not fluctuate significantly. Monetary assets and liabilities are translated at year end exchange rates or, where appropriate, at rates of exchange fixed under the terms of the relevant transaction. The resulting exchange rate differences are charged to the profit and loss account.

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

1.17 Purpose of Reserves

Share capital

This reserve records the nominal value received for shares sold. This is a non-distributable reserve.

Revaluation Reserve

This reserve is used to record increases in the fair value of land and buildings. This is a non-distributable reserve.

Retained Earnings

This reserve records the cumulative transfer of comprehensive income. This is a distributable reserve.

2 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.

The amount provided in the stock provision is considered to be a judgement due to the nature of the business. Raw material stock has been written down by £559,225 (2014: £437,112).

3 Turnover

An analysis of the company's turnover is as follows:

	2015 £	2014 £
Turnover	25,723,504	26,877,924
Turnover analysed by geographical market		
	2015 £	2014 £
United Kingdom	16,765,378	17,294,290
Overseas	8,958,126	9,583,634
	25,723,504	26,877,924

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

4	Operating profit	2015	2014
		£	£
	Operating profit for the year is stated after charging/(crediting):		
	Exchange (gains)	(652,961)	(283,543)
	Fees payable to the company's auditors for the audit of the company's annual accounts	26,000	10,523
	Depreciation of owned tangible fixed assets	67,881	65,882
	Depreciation of tangible fixed assets held under finance leases	102,909	93,915
	(Loss)/profit on disposal of tangible fixed assets	-	(5,328)
	Amortisation of intangible assets	164	441
	Cost of stocks recognised as an expense	18,865,629	19,576,443
	Operating lease charges	135,608	133,707
		<u> </u>	<u> </u>

5 Employees

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

	2015	2014
	Number	Number
Number of production staff	1	1
Number of administrative staff	104	105
	<u> </u>	<u> </u>
Total	105	106
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2015	2014
	£	£
Wages and salaries	2,715,011	2,718,010
Social security costs	230,865	236,241
Pension costs	107,283	82,542
	<u> </u>	<u> </u>
	3,053,159	3,036,793
	<u> </u>	<u> </u>

6	Directors' remuneration	2015	2014
		£	£
	Remuneration for qualifying services	28,759	-
	Company pension contributions to defined contribution schemes	1,680	-
		<u> </u>	<u> </u>
		30,439	-
		<u> </u>	<u> </u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2014 - 0).

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

7	Interest payable and similar charges	2015	2014
		£	£
	Interest on financial liabilities measured at amortised cost:		
	Interest on bank overdrafts and loans	179,826	204,425
	Interest on finance leases and hire purchase contracts	26,032	29,853
		<u>205,858</u>	<u>234,278</u>
8	Taxation	2015	2014
		£	£
	Current tax		
	UK corporation tax on profits for the current period	23,330	152,219
	Deferred tax		
	Adjustment in respect of prior periods	(3,388)	(76,972)
	Total tax charge	<u>19,942</u>	<u>75,247</u>
The charge for the year can be reconciled to the profit per the income statement as follows:			
		2015	2014
		£	£
	Profit before taxation on continued operations	<u>966,375</u>	<u>1,263,526</u>
	Profit on ordinary activities before taxation multiplied by standard rate of corporation tax of 20.25% (2014 - 21.49%)	<u>195,658</u>	<u>271,571</u>
	Tax effect of expenses that are not deductible in determining taxable profit	3,070	2,123
	Adjustments in respect of prior years	(4,568)	(1,303)
	Group relief	(175,287)	(113,058)
	Capital allowances in excess of depreciation	-	(7,586)
	Other short term timing differences	3,812	(4,675)
	Permanent differences	(5,274)	-
	Under/(over) provided in the year	(33)	-
	Deferred tax adjustments in respect of prior years	-	(76,972)
	Fixed asset differences	2,564	786
	Transition adjustments	-	4,361
		<u>(175,716)</u>	<u>(196,324)</u>
	Tax expense for the year	<u>19,942</u>	<u>75,247</u>

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

9	Dividends	2015 per share	2014 per share	2015 £	2014 £
	Amounts recognised as distributions to equity holders:				
	Ordinary shares				
	Final paid	0.43	0.43	600,000	600,000
10	Intangible fixed assets				
					Patents £
	Cost				
	At 1 January 2015 and 31 December 2015				20,981
	Amortisation and impairment				
	At 1 January 2015				20,743
	Amortisation charged for the year				164
	At 31 December 2015				20,907
	Carrying amount				
	At 31 December 2015				74
	At 31 December 2014				238
11	Tangible fixed assets				
		Land and buildings Freehold £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
	Cost				
	At 1 January 2015	625,000	1,328,067	828,977	2,782,044
	Additions	-	45,878	18,537	64,415
	At 31 December 2015	625,000	1,373,945	847,514	2,846,459
	Depreciation and impairment				
	At 1 January 2015	10,801	1,176,238	564,784	1,751,823
	Depreciation charged in the year	12,500	52,991	105,299	170,790
	At 31 December 2015	23,301	1,229,229	670,083	1,922,613
	Carrying amount				
	At 31 December 2015	601,699	144,716	177,431	923,846
	At 31 December 2014	614,199	151,829	264,193	1,030,221

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

11 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £102,909 (2014 - £93,915) for the year.

	2015 £	2014 £
Motor vehicles	170,062	264,078

12 Financial instruments

Carrying amount of financial assets

Debt instruments measured at amortised cost

Carrying amount of financial liabilities

Measured at amortised cost

	2015 £	2014 £
Debt instruments measured at amortised cost	5,932,001	5,855,520
Measured at amortised cost	8,851,710	10,148,034

13 Stocks

Raw materials and consumables

Finished goods and goods for resale

	2015 £	2014 £
Raw materials and consumables	1,196,005	1,271,635
Finished goods and goods for resale	4,980,828	5,983,709
	6,176,833	7,255,344

14 Debtors

Due within one year

	2015 £	2014 £
Trade debtors	4,510,867	4,502,809
Amounts due from fellow group undertakings	1,375,160	1,063,431
Prepayments and accrued income	377,183	301,306
	6,263,210	5,867,546

15 Loans and overdrafts

	2015 £	2014 £
Bank loans	221,513	771,084

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

(Continued)

15 Loans and overdrafts

Analysis of loans and overdrafts

Borrowings are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2015 £	2014 £
Amounts payable within one year	221,513	771,084

16 Creditors

	Notes	Due within one year		Due after one year	
		2015 £	2014 £	2015 £	2014 £
Loans and overdrafts	15	221,513	771,084	-	-
Obligations under finance leases	17	81,439	82,854	115,239	176,430
Taxation and social security		204,900	370,361	-	-
Trade creditors		1,029,138	677,146	-	-
Amounts due to fellow group undertakings		4,392,845	4,772,285	-	-
Accruals		577,381	491,133	-	-
Other creditors		3,011,536	3,668,435	-	-
		9,518,752	10,833,298	115,239	176,430

17 Finance lease commitments

Future minimum lease payments due under finance leases:

	2015 £	2014 £
Within one year	81,439	82,854
Between two and five years	115,239	176,430
	196,678	259,284

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

18 Deferred taxation

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 £
Deferred tax liability at 1 January 2014	121,356
Deferred tax movements in prior year	
Credit to profit or loss	(72,611)
Transition adjustment	(4,361)
Deferred tax liability at 1 January 2015	44,384
Deferred tax movements in current year	
Credit to profit or loss	(3,388)
Deferred tax liability at 31 December 2015	40,996

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2015 £	2014 £
Deferred tax liabilities	40,996	44,384

19 Retirement benefit schemes

Defined contribution schemes

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.

The charge to profit and loss in respect of defined contribution schemes was £107,283 (2014 - £82,542).

20 Share capital	2015 £	2014 £
Ordinary share capital		
Issued and fully paid		
1,400,000 Ordinary shares of £1 each	1,400,000	1,400,000

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

21 Financial commitments, guarantees and contingent liabilities

The company has provided an unlimited guarantee in respect of the bank borrowings of fellow group companies. At the period end there is a potential liability of £3,756,260 (2014: £3,024,399).

22 Operating leases commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2015 £	2014 £
Within one year	2,040	2,040
Between two and five years	483,026	618,888
	<u>485,066</u>	<u>620,928</u>

23 Capital commitments

2015 £	2014 £
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At 31 December 2015 the company had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment

-	12,919
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24 Related party transactions

The company has taken advantage of the disclosure exemption relating to section 33.1A of the standard, with regards to the requirement of disclosing transactions with fellow group entities. Disclosures regarding key management personnel remuneration are made within the consolidated financial statements of Bollin Group Limited.

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

25 Controlling party

The company is a wholly owned subsidiary of Outdoor and Sports Company (Holdings) Limited. The directors consider that the ultimate parent undertaking of this company is Bollin Group Limited, which is the only undertaking that prepares group accounts including the financial statements of this company. Copies of the financial statements are available from the Company Secretary, Bollin Group Limited, Bailey Court, Green Street, Macclesfield, SK10 1JQ.

The directors regard B J Berryman, H Turner and C Fahy as the ultimate controlling parties by virtue of their status as controlling trustees of a trust which holds a 100% interest in the equity share capital of Bollin Group Limited.

26 Reconciliations on adoption of FRS 102

Reconciliation of equity

Notes	At 1 January 2014			At 31 December 2014		
	Previous UK GAAP £	Effect of transition £	FRS 102 £	Previous UK GAAP £	Effect of transition £	FRS 102 £
Fixed assets						
Intangible assets	679	-	679	238	-	238
Tangible fixed assets	580,322	361,217	941,539	1,034,001	(3,780)	1,030,221
	<u>581,001</u>	<u>361,217</u>	<u>942,218</u>	<u>1,034,239</u>	<u>(3,780)</u>	<u>1,030,459</u>
Current assets						
Stocks	7,339,275	-	7,339,275	7,255,344	-	7,255,344
Other debtors	6,498,922	-	6,498,922	5,867,546	-	5,867,546
Bank and cash	1,650	-	1,650	289,280	-	289,280
	<u>13,839,847</u>	<u>-</u>	<u>13,839,847</u>	<u>13,412,170</u>	<u>-</u>	<u>13,412,170</u>

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

26 Reconciliations on adoption of FRS 102

(Continued)

Creditors due within one year

Loans and overdrafts	1,544,147	-	1,544,147	771,084	-	771,084
Creditors	2 9,786,291	10,920	9,797,211	9,586,728	22,271	9,608,999
Taxation and social security	315,286	-	315,286	370,361	-	370,361
Obligations under finance leases	60,761	-	60,761	82,854	-	82,854
	11,706,485	10,920	11,717,405	10,811,027	22,271	10,833,298

Net current assets	2,133,362	(10,920)	2,122,442	2,601,143	(22,271)	2,578,872
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Total assets less current liabilities	2,714,363	350,297	3,064,660	3,635,382	(26,051)	3,609,331
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Creditors due after one year

Obligations under finance leases	143,066	-	143,066	176,430	-	176,430
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Provisions for liabilities

Deferred tax liabilities	3 51,406	69,950	121,356	(21,205)	65,589	44,384
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Net assets	2,519,891	280,347	2,800,238	3,480,157	(91,640)	3,388,517
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Capital and reserves

Share capital	1,400,000	-	1,400,000	1,400,000	-	1,400,000
Revaluation reserve	1 -	361,217	361,217	361,217	-	361,217
Profit and loss	1,2,3 1,119,891	(80,870)	1,039,021	1,718,940	(91,640)	1,627,300
Total equity	2,519,891	280,347	2,800,238	3,480,157	(91,640)	3,388,517

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

26 Reconciliations on adoption of FRS 102

(Continued)

Reconciliation of profit or loss for the year

	Notes	At 31 December 2014		FRS 102
		Previous UK GAAP £	Effect of transition £	
Turnover		26,877,924	-	26,877,924
Cost of sales		(19,292,900)	-	(19,292,900)
Gross profit		7,585,024	-	7,585,024
Distribution costs		(1,813,349)	-	(1,813,349)
Administrative expenses	1,2	(4,467,663)	(15,130)	(4,482,793)
Other operating income		208,922	-	208,922
Operating profit		1,512,934	(15,130)	1,497,804
Interest payable and similar charges		(234,278)	-	(234,278)
Profit before taxation		1,278,656	(15,130)	1,263,526
Tax on profit on ordinary activities	3	(79,608)	4,361	(75,247)
Profit for the financial year		1,199,048	(10,769)	1,188,279

Notes to reconciliations on adoption of FRS 102

1. Revaluation of property

The directors have elected to revalue the property as at transition date. This has resulted in an increase in the asset value of £361,217 at 1st January 2014 and a consequent increase in the depreciation of the asset in 2014.

2. Holiday pay

A full accrual for holiday pay is now made under the FRS102 standard. The adjustment to 2014 relates to the movement in the value of holidays not taken and outstanding at 31 December 2014.

3. Deferred Tax adjustment

A deferred tax liability has been generated as a result of the revaluation of the property and the inclusion of a holiday pay accrual.