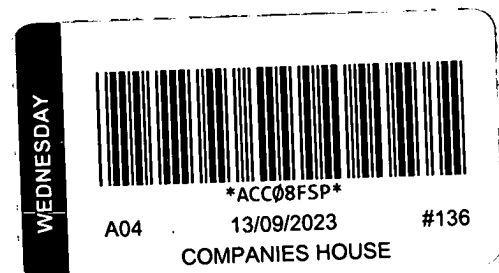


Company registration number 00988970 (England and Wales)

OUTDOOR & SPORTS COMPANY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



OUTDOOR & SPORTS COMPANY LIMITED

COMPANY INFORMATION

Directors	S J Cann P A Allison
Secretary	S J Cann
Company number	00988970
Registered office	3, Bailey Court Green Street Macclesfield SK10 1JQ
Auditor	MHA Moore and Smalley Richard House 9 Winckley Square Preston PR1 3HP
Business address	Redfern House Dawson Street Hyde Cheshire SK14 1RD

OUTDOOR & SPORTS COMPANY LIMITED

CONTENTS

	Page
Strategic report	1 - 3
Directors' report	4 - 5
Directors' responsibilities statement	6
Independent auditor's report	7 - 9
Statement of comprehensive income	10
Statement of financial position	11
Statement of changes in equity	12
Notes to the financial statements	13 - 25

OUTDOOR & SPORTS COMPANY LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present the strategic report and financial statements for the year ended 31 December 2022.

Principal activity

Outdoor & Sports Company Limited principal activity is to design, manufacture, market and distribute premium sports and outdoor clothing.

Fair review of the business

The business saw a significant growth from 2021 driven by export sales

UK sales decreased by 4.3% and export sales increased by 52.2%. Export sales represented 50.7% (2021: 39.3%) of total turnover in the period.

Sales to export markets and a focus on continuous product development are seen as the drivers for long term growth of the business.

Gross margin % decreased from 29.1% to 28.7%.

Going Concern

The directors refer to note 1.2 and have concluded that it is appropriate to prepare the accounts on a going concern basis.

Analysis of Development and Future Performance

The company is working hard to increase margins by both increasing prices and getting support from suppliers. In addition the business is reviewing its expenditure.

The business takes pride in following socially responsible policies. Our company aims to be accountable for the labour conditions under which our products are manufactured, to companies we do business with, to consumers, and in general to the society of which we are part.

The company has therefore adopted the Code of Labour Practices which contains a set of internationally accepted labour standards, and these should be observed in all the workplaces where our products are manufactured. If a manufacturer does not comply with the labour standards we will not terminate the business relationship, provided that the manufacturer is prepared to implement effective improvements.

As part of these policies the company is a member of the Fairwear Foundation and maintained its leadership status during the year.

Key performance indicators

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

	2022	2021
Turnover	£60.1m	£51.0m
Gross profit	£17.2m	£14.9m
Gross profit %	28.7%	29.1%
Operating profit	£7.44m	£6.42m
Stock	£20.7m	£10.0m
Shareholder funds	£12.83m	£10.30m

The turnover reflects an increase in volumes and in prices.

Position at the end of the period

The balance sheet at the end of the period shows that the company's net assets have increased by £2,529,441 to £12,833,967.

OUTDOOR & SPORTS COMPANY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Other information and explanations

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 Board endeavours to manage these wherever possible. The ongoing operational and financial performance of the business is a key part of every Board meeting. In addition, training is given to all staff to help mitigate these risks.

As at the date of signing the directors consider the largest uncertainties to trade being:

Inflationary pressures

The inflationary pressure that exists with higher pricing of food, energy and commodities may cause both consumer expenditure to weaken and product prices to rise causing pressure on demand and margins.

Ukraine conflict

The conflict in Ukraine and the risk that it may develop further may cause uncertainties which will impact on both supply and demand.

Supply side issues

Further covid and the above conflict and the current high level of demand continue to make supply side challenging.

To manage these risks the directors have increased the level of stock that the business holds and are managing the expenses prudently in case demand weakens. To date demand has not weakened.

Employees

The company is committed to employment policies which follow best practice and are based on equal opportunities for all employees, irrespective of gender, religion or belief, age, racial or ethnic origin, sexual orientation or disability.

The company is committed to Investors in People and regards the development of staff as key to achieving its objectives.

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

OUTDOOR & SPORTS COMPANY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Promoting the success of the company

This statement by the board describes how the responsibilities under S172(1)(a) to (f) of the Companies Act 2006 have been approached in the financial period ended 31st December 2022.

The directors consider that they have acted in good faith to promote the success of the Company on behalf of the stakeholders, in relation to matters set out in S172 of the Act.

The stakeholders of the business include the employees, clients, and suppliers of the business.

The directors monitor and review strategic objectives against long term growth plans and regular reviews at departmental and board level are held across the business in the key areas. These areas being Financial performance, Operations, Human Resources and Risks and Opportunities.

The fundamental principle in the governance of Outdoor & Sports Company Limited is the clear, fair, and trusting approach to all interactions with employees, clients, and suppliers. This is reflected in the length of service of employees and management teams and the longevity of the relationships with our clients and suppliers.

The Company has built, and continues to grow, the business on a reputation for delivering excellent customer service. The Company, through the senior management and employees, strives continuously to improve in every aspect of the products and services it provides, for the mutual benefit of all stakeholders.

The Company enjoys good relationships with suppliers in relation to credit arrangements and takes a firm approach to debtor management. Payment terms reduce the risk to the business whilst the process for debt collection minimises the risk of non-payments.

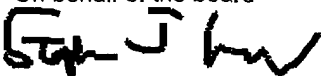
The directors have overall responsibility for delivering the Company's strategy and values and for ensuring high standards of governance. The primary aim of the directors is to promote the long-term sustainable success of the Company to generate benefit for the stakeholders. Throughout the next financial year, the directors will continue to review, improve, and challenge the engagement with all stakeholders.

The Company's employees, clients and suppliers are critical to the success of the business and so it is recognised that engagement is an important aspect in those relationships.

The directors recognise and understand that it is important to keep employees informed of all matters concerning them and does this in several ways including newsletters, meetings, verbal and written communications. The views and interests of employees are considered in consultation with them through working groups or forums, which evolve over time to meet the needs of all parties. The policy of the Company is to consult and discuss with employees any issues that arise in accordance with relevant procedures or legislation.

The Company has an equal opportunities policy and is committed to the principles within the policy in respect of all stakeholders.

On behalf of the board



S J Cann
Director

25 April 2023

OUTDOOR & SPORTS COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their annual report and financial statements for the year ended 31 December 2022.

Principal activities

Outdoor & Sports Company Limited principal activity is to design, manufacture, market and distribute premium sports and outdoor clothing.

Results and dividends

The results for the year are set out on page 10.

The profit for the period, after taxation, amounted to £6,129,441 (2021: £5,193,877). A dividend of £3,600,000 was paid during the year (2021: £3,600,000).

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
P A Allison

Financial instruments

Treasury operations

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.

Future developments

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of principal risks and uncertainties and future developments.

OUTDOOR & SPORTS COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Auditor

The auditor, MHA Moore and Smalley, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Energy and carbon report

The company is not required to report its carbon emissions and energy use data because this information is disclosed, on a consolidated basis, in the financial statements of Bollin Group Limited. Copies of these financial statements can be obtained from its registered office, 3 Bailey Court, Green Street, Macclesfield, SK10 1JQ.

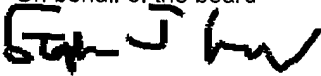
Strategic Report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of principal risks and uncertainties and future developments.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



S J Cann
Director

25 April 2023

OUTDOOR & SPORTS COMPANY LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

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.

OUTDOOR & SPORTS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OUTDOOR & SPORTS COMPANY LIMITED

Opinion

We have audited the financial statements of Outdoor & Sports Company Limited (the 'company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included a review of: the company forecasts covering at least twelve months from the approval of the financial statements, the post year end management accounts and the up to date cash position. We observed that there appears to be sufficient financial headroom to continue trading for at least twelve months from the approval of the financial statements.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- 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; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, are detailed below:

- Enquiries with management, about any known or suspected instances of non-compliance with laws and regulations.
- Enquires with management about any known or suspected instances of fraud.
- Review of legal and professional expenditure to identify any evidence of ongoing litigation or enquiries.
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to stock provisions; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness

We identified the following areas as those most likely to have a material impact on the financial statements: Health and safety, employment law and compliance with the UK Companies Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognize the non-compliance.

OUTDOOR & SPORTS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF OUTDOOR & SPORTS COMPANY LIMITED

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditors-responsibilities>. This description forms part of our auditor's report.

Use of our report

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.

Damian Walmsley

Damian Walmsley (Senior Statutory Auditor)

For and on behalf of MHA Moore and Smalley

Chartered Accountants

Statutory Auditor

Richard House

9 Winckley Square

Preston

PR1 3HP

25 April 2023

OUTDOOR & SPORTS COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Turnover	3	60,137,059	51,009,187
Cost of sales		(42,905,742)	(36,157,301)
Gross profit		17,231,317	14,851,886
Distribution costs		(2,440,038)	(2,233,167)
Administrative expenses		(8,132,256)	(7,005,687)
Other operating income		1,132,850	809,961
Exceptional item	4	(355,000)	(6,900)
Operating profit	5	7,436,873	6,416,093
Interest payable and similar expenses	8	(100,180)	(3,064)
Profit before taxation		7,336,693	6,413,029
Tax on profit	9	(1,207,252)	(1,219,152)
Profit for the financial year		6,129,441	5,193,877


OUTDOOR & SPORTS COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Intangible assets	11	15,772		17,206	
Tangible assets	12	856,258		886,899	
			872,030		904,105
Current assets					
Stocks	13	20,708,184		10,045,127	
Debtors	14	14,975,282		18,831,613	
Cash at bank and in hand		1,337,294		856,152	
		37,020,760		29,732,892	
Creditors: amounts falling due within one year	15	(24,961,094)		(20,203,277)	
Net current assets			12,059,666		9,529,615
Total assets less current liabilities			12,931,696		10,433,720
Creditors: amounts falling due after more than one year	16		(47,654)		(89,949)
Provisions for liabilities					
Deferred tax liability	18	50,075		39,245	
			(50,075)		(39,245)
Net assets			12,833,967		10,304,526
Capital and reserves					
Called up share capital	20	1,400,000		1,400,000	
Revaluation reserve		361,217		361,217	
Profit and loss reserves		11,072,750		8,543,309	
Total equity			12,833,967		10,304,526

The financial statements were approved by the board of directors and authorised for issue on 25 April 2023 and are 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 2022

	Notes	Share capital £	Revaluation reserve £	Profit and loss reserves £	Total £
Balance at 1 January 2021		1,400,000	361,217	6,949,432	8,710,649
Year ended 31 December 2021:					
Profit and total comprehensive income for the year		-	-	5,193,877	5,193,877
Dividends	10	-	-	(3,600,000)	(3,600,000)
Balance at 31 December 2021		1,400,000	361,217	8,543,309	10,304,526
Year ended 31 December 2022:					
Profit and total comprehensive income for the year		-	-	6,129,441	6,129,441
Dividends	10	-	-	(3,600,000)	(3,600,000)
Balance at 31 December 2022		1,400,000	361,217	11,072,750	12,833,967

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Outdoor & Sports Company Limited is a limited company domiciled and incorporated in England and Wales. The registered office is 3, 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 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.

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 under the historical cost convention, modified to include freehold land and buildings at deemed cost. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Bollin Group Limited. These consolidated financial statements are available from its registered office, 3 Bailey Court, Green Street, Macclesfield, SK10 1JQ.

1.2 Going concern

The directors have considered the financial position of the company at 31 December 2021 and forecasts for a period of 12 months from the date of signing these financial statements. In light of these forecasts, they consider that the Company has adequate resources to continue in operational existence for the foreseeable future.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Other operating income comprises all income that cannot be allocated to net sales or finance income on account of its nature, such as royalties and rental income. It is recognised at the fair value of the received or receivable value when there is reasonable assurance that the income will be received.

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.4 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 deemed cost net of depreciation and any impairment losses.

Depreciation is calculated so as to write off the cost, or deemed 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, 20%-33.33% straight line
Motor vehicles	20%-33.33% 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 credited or charged to profit or loss.

1.6 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.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials.

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.

1.8 Cash at bank and in hand

Cash and cash equivalents are basic financial assets 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.

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.9 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 in the company's balance sheet 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 assets

Basic financial assets, which include debtors 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. Financial assets classified as receivable within one year are not amortised.

Other financial assets

All the company's financial assets are basic financial instruments.

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 are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Basic financial liabilities, including creditors, bank loans, and loans from fellow group companies, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

All the company's financial liabilities are basic financial instruments.

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.

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.11 Taxation

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

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 liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

1.12 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.

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.13 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.

1.14 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.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

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.

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 movements in the fair value of land and buildings. This is a non-distributable reserve.

Profit and loss reserve

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

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

2 Judgements and key sources of estimation uncertainty

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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Provision for slow moving stock

The amount provided in the stock provision is considered to be an estimate due to the nature of the business.

Provision for irrecoverable debtors

The amount provided in the bad debt provision is considered to be an estimate to cover the value irrecoverable trade debts, both specific and general.

3 Turnover and other revenue

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

	2022 £	2021 £
Turnover analysed by class of business		
Attributable to the company's principal activities	60,137,059	51,009,187
	<u>60,137,059</u>	<u>51,009,187</u>
	2022 £	2021 £
Turnover analysed by geographical market		
United Kingdom	29,644,610	30,976,008
Overseas	30,492,449	20,033,179
	<u>60,137,059</u>	<u>51,009,187</u>
	2022 £	2021 £
Other significant revenue		
Royalty income	987,181	701,707
Commissions received	112,782	-
Grants received	-	82,130
	<u>1,100,000</u>	<u>783,837</u>

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

4 Exceptional items

	2022 £	2021 £
Exceptional		
Restructuring costs	-	6,900
Insurance losses	355,000	-
	<u>355,000</u>	<u>6,900</u>

5 Operating profit

	2022 £	2021 £
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(1,468,387)	(182,856)
Government grants	-	(82,130)
Fees payable to the company's auditor for the audit of the company's financial statements	12,000	8,950
Depreciation of owned tangible fixed assets	109,747	93,517
Depreciation of tangible fixed assets held under finance leases	51,249	67,427
Profit on disposal of tangible fixed assets	(12,922)	-
Amortisation of intangible assets	1,434	1,577
Operating lease charges	<u>396,590</u>	<u>323,482</u>

6 Employees

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

	2022 Number	2021 Number
Number of production staff	2	2
Number of administrative staff	120	114
Total	<u>122</u>	<u>116</u>

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	4,029,575	3,673,939
Social security costs	374,252	323,835
Pension costs	267,727	324,795
	<u>4,671,554</u>	<u>4,322,569</u>

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

7 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	62,070	56,937
Company pension contributions to defined contribution schemes	39,157	22,821
	<u>101,227</u>	<u>79,758</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2021 - 1).

8 Interest payable and similar expenses

	2022 £	2021 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	95,526	(10,306)
Other interest on financial liabilities	(2,064)	-
	<u>93,462</u>	<u>(10,306)</u>
Other finance costs:		
Interest on finance leases and hire purchase contracts	6,718	13,370
	<u>100,180</u>	<u>3,064</u>

9 Taxation

	2022 £	2021 £
Current tax		
UK corporation tax on profits for the current period	1,196,422	1,188,246
	<u>1,196,422</u>	<u>1,188,246</u>
Deferred tax		
Origination and reversal of timing differences	10,830	30,906
	<u>10,830</u>	<u>30,906</u>
Total tax charge	<u>1,207,252</u>	<u>1,219,152</u>

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	7,336,693	6,413,029
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	1,393,972	1,218,476
Tax effect of expenses that are not deductible in determining taxable profit	(3,354)	389
Effect of change in corporation tax rate	2,599	9,419
Group relief	(187,043)	-
Depreciation on assets not qualifying for tax allowances	13,813	15,561
Enhanced R&D deduction	(12,735)	(14,094)
Allowable finance lease depreciation	-	(10,599)
Taxation charge for the year	1,207,252	1,219,152

10 Dividends

	2022 £	2021 £
Final paid	3,600,000	3,600,000

11 Intangible fixed assets

	Patents £
Cost	
At 1 January 2022 and 31 December 2022	21,495
Amortisation and impairment	
At 1 January 2022	4,289
Amortisation charged for the year	1,434
At 31 December 2022	5,723
Carrying amount	
At 31 December 2022	15,772
At 31 December 2021	17,206

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

12 Tangible fixed assets

	Land and buildings Freehold £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost or deemed cost				
At 1 January 2022	625,000	864,756	390,101	1,879,857
Additions	-	139,675	-	139,675
Disposals	-	-	(29,822)	(29,822)
At 31 December 2022	625,000	1,004,431	360,279	1,989,710
Depreciation and impairment				
At 1 January 2022	98,301	608,513	286,144	992,958
Depreciation charged in the year	12,500	97,247	51,249	160,996
Eliminated in respect of disposals	-	-	(20,502)	(20,502)
At 31 December 2022	110,801	705,760	316,891	1,133,452
Carrying amount				
At 31 December 2022	514,199	298,671	43,388	856,258
At 31 December 2021	526,699	256,243	103,957	886,899

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2022 £	2021 £
Motor vehicles	43,388	103,957

Land and buildings with a carrying amount of £514,199 (2021: £526,699) were revalued at 31 December 2015 by Messrs. Sanderson Weatherall, Chartered Surveyors, independent valuers not connected with the company on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the carrying value amounts included would have been £156,554 (2021: £169,080)

13 Stocks

	2022 £	2021 £
Raw materials and consumables	1,895,895	1,357,374
Finished goods and goods for resale	18,812,289	8,687,753
	20,708,184	10,045,127

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

14 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	6,957,408	8,486,398
Amounts owed by group undertakings	7,752,375	10,055,052
Other debtors	213,050	46,570
Prepayments and accrued income	52,449	243,593
	<u>14,975,282</u>	<u>18,831,613</u>

15 Creditors: amounts falling due within one year

	Notes	2022	2021
		£	£
Obligations under finance leases	17	52,399	73,415
Trade creditors		681,878	557,854
Amounts owed to group undertakings		15,385,370	11,835,001
Corporation tax		1,137,006	1,188,246
Other taxation and social security		1,507,804	1,571,187
Other creditors		1,648,195	813,817
Accruals and deferred income		4,548,442	4,163,757
		<u>24,961,094</u>	<u>20,203,277</u>

Included within other creditors at year end was £1,650,551 (2021: £813,601) regarding an invoice discounting facility with Lloyds Commercial Finance which was secured by a charge dated 20th June 2008 over the assets of the company.

16 Creditors: amounts falling due after more than one year

	Notes	2022	2021
		£	£
Obligations under finance leases	17	<u>47,654</u>	<u>89,949</u>

Finance lease payments represent rentals payable by the company for motor vehicles. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 4 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

17 Finance lease obligations

	2022	2021
	£	£
Future minimum lease payments due under finance leases:		
Within one year	52,399	73,415
In two to five years	47,654	89,949
	<u>100,053</u>	<u>163,364</u>

Amounts due under finance leases are secured against the assets to which they relate.

18 Deferred taxation

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:

	Liabilities 2022	Liabilities 2021
	£	£
Balances:		
Fixed asset timing differences	<u>50,075</u>	<u>39,245</u>
Movements in the year:		2022 £
Liability at 1 January 2022		39,245
Charge to profit or loss		10,830
Liability at 31 December 2022		<u>50,075</u>

19 Retirement benefit schemes

	2022	2021
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>267,727</u>	<u>324,795</u>

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.

20 Share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	<u>1,400,000</u>	<u>1,400,000</u>	<u>1,400,000</u>	<u>1,400,000</u>

OUTDOOR & SPORTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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 £nil (2021: £nil).

22 Operating lease 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:

	2022 £	2021 £
Within one year	545,229	544,774
Between two and five years	467,350	995,090
	<u>1,012,579</u>	<u>1,539,864</u>

23 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.

24 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2022 £	2021 £
Acquisition of tangible fixed assets	<u>136,795</u>	<u>52,713</u>

25 Ultimate controlling party

The company is a wholly owned subsidiary of Outdoor & 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.