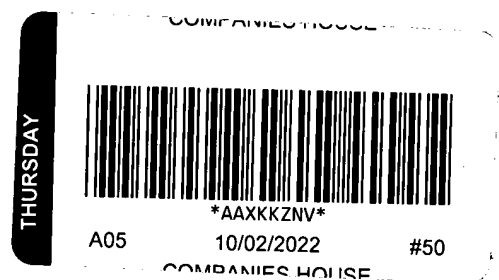


COMPANY REGISTRATION NUMBER: 06907726

**Champion Clothing Limited**  
**Financial statements**  
**30 June 2021**



# **Champion Clothing Limited**

## **Directors' responsibilities statement**

**Year ended 30 June 2021**

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The directors are responsible for preparing 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 (United Kingdom Accounting Standards and applicable law). 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 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 judgments 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.

# Champion Clothing Limited

## Statement of financial position

30 June 2021

	Note	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	6		3,601		3,542
<b>Current assets</b>					
Stocks		872,046		891,192	
Debtors	7	954,287		509,779	
Cash at bank and in hand		525,332		585,046	
		<u>2,351,665</u>		<u>1,986,017</u>	
<b>Creditors: Amounts falling due within one year</b>	8	<u>(1,143,500)</u>		<u>(936,140)</u>	
<b>Net current assets</b>			1,208,165		1,049,877
<b>Total assets less current liabilities</b>			<u>1,211,766</u>		<u>1,053,419</u>
<b>Net assets</b>			<u>1,211,766</u>		<u>1,053,419</u>
<b>Capital and reserves</b>					
Called up share capital	10		20,000		20,000
Profit and loss account			<u>1,191,766</u>		<u>1,033,419</u>
<b>Shareholders funds</b>			<u>1,211,766</u>		<u>1,053,419</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 1 February 2022, and are signed on behalf of the board by:

  
M R Hawkins  
Director

Company registration number: 06907726

The notes on pages 3 to 6 form part of these financial statements.

# Champion Clothing Limited

## Notes to the financial statements

Year ended 30 June 2021

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### 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Bankside 300, Peachman Way, Broadland Business Park, Norwich, NR7 0LB. The company's trading address is Blyth Road Industrial Estate, Halesworth, Suffolk, IP19 8EN.

### 2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Goods in transit

Where goods are purchased from overseas suppliers, it is company policy to exclude those items from stock until the earlier of the date they reach the company's warehouse or the date the supplier is paid.

Where deposits are paid for stock items, these are included in prepayments until the date they reach the company's warehouse.

#### Revenue recognition

The turnover shown in the profit and loss account represents the amount of clothing sold during the year, exclusive of Value Added Tax.

#### Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

# Champion Clothing Limited

## Notes to the financial statements *(continued)*

Year ended 30 June 2021

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### 3. Accounting policies *(continued)*

#### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction.

#### Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	20% straight line
Motor vehicles	-	20% straight line
Equipment	-	33% straight line

#### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

# Champion Clothing Limited

## Notes to the financial statements *(continued)*

### Year ended 30 June 2021

#### 4. Employee numbers

The average number of employees during the year was 7 (2020: 9).

#### 5. Intangible assets

	Development costs £
<b>Cost</b>	
At 1 July 2020 and 30 June 2021	10,002
<b>Amortisation</b>	
At 1 July 2020 and 30 June 2021	10,002
<b>Carrying amount</b>	
At 30 June 2021	—
At 30 June 2020	—

#### 6. Tangible assets

	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
<b>Cost</b>				
At 1 July 2020	24,545	6,395	19,082	50,022
Additions	2,617	—	583	3,200
<b>At 30 June 2021</b>	<b>27,162</b>	<b>6,395</b>	<b>19,665</b>	<b>53,222</b>
<b>Depreciation</b>				
At 1 July 2020	22,815	6,395	17,270	46,480
Charge for the year	1,371	—	1,770	3,141
<b>At 30 June 2021</b>	<b>24,186</b>	<b>6,395</b>	<b>19,040</b>	<b>49,621</b>
<b>Carrying amount</b>				
At 30 June 2021	2,976	—	625	3,601
At 30 June 2020	1,730	—	1,812	3,542

#### 7. Debtors

	2021 £	2020 £
Trade debtors	620,429	355,163
Deferred tax asset	2,827	3,256
Prepayments and accrued income	328,013	151,313
Directors loan account	47	47
Other debtors	2,971	—
	<b>954,287</b>	<b>509,779</b>

The debtors above include the following amounts falling due after more than one year:

	2021 £	2020 £
Deferred tax asset	2,827	3,256

# Champion Clothing Limited

## Notes to the financial statements *(continued)*

Year ended 30 June 2021

### 8. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	46,545	27,852
Amounts owed to group undertakings	962,091	821,829
Accruals and deferred income	62,441	32,372
Corporation tax	45,344	21,763
Social security and other taxes	26,313	31,089
Other creditors	766	1,235
	<u>1,143,500</u>	<u>936,140</u>

### 9. Operating leases

As at the year end the company had non-cancellable operating lease commitments of £6,950 (2020: £18,929).

### 10. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>

### 11. Contingencies

Before the year end the company entered into forward contract arrangements with their bankers to purchase foreign currencies after the year end to the value of £213,401 (2020: £248,859).

The company has given a cross guarantee and debenture in respect of the bank borrowings of Castle Clothing Limited and John Hawkins Holding Co Limited, which at the balance sheet date amounted to £Nil.

### 12. Summary audit opinion

The auditor's report for the year ended 30 June 2021 was unqualified, with no emphasis of matter.

The senior statutory auditor was Steven Scarlett ACA, for and on behalf of Lovewell Blake LLP.

### 13. Directors' advances, credits and guarantees

Included within Debtors is a directors' loan account of £47 (2020: £47). There were no advances or repayments in the year.