

# TURNBULL KEMP

*Company Registration No. SC126537 (Scotland)*

**ACTIONWEAR (SCOTLAND) LIMITED**

**ABBREVIATED ACCOUNTS**

*For the year ended 30 September 2002*



TURNBULL KEMP & CO  
CHARTERED ACCOUNTANTS  
66 TAY STREET PERTH PH2 8RA

# **ACTIONWEAR (SCOTLAND) LIMITED**

## **AUDITORS' REPORT TO ACTIONWEAR (SCOTLAND) LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts set out on pages 3 to 5, together with the financial statements of the company for the year ended 30 September 2002 prepared under section 226 of the Companies Act 1985.

### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

### **Basis of opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 5 are properly prepared in accordance with those provisions.

### **Other information**

On 28 July 2003 we reported, as auditors of Actionwear (Scotland) Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30 September 2002, and our audit report included the following paragraph:

"We have audited the financial statements of Actionwear (Scotland) Limited on pages 4 to 11 for the year ended 30 September 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

# **ACTIONWEAR (SCOTLAND) LIMITED**

## **AUDITORS' REPORT TO ACTIONWEAR (SCOTLAND) LIMITED (CONTINUED) UNDER SECTION 247B OF THE COMPANIES ACT 1985**

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### **Basis of opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

"In forming our opinion, we have considered the adequacy of the disclosures made in the financial statements concerning the support of Actionwear (Scotland) Limited's holding company.

The financial statements have been prepared on a going concern basis, the validity of which depends upon continued support of the holding company. The financial statements do not include any adjustments that would result if this support should not be available. Details of the circumstances relating to this fundamental uncertainty are described in note 13 to the financial statements. Our opinion is not qualified in this respect."

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."



**Turnbull Kemp & Co CA  
Chartered Accountants  
Registered Auditor**

66 Tay Street  
Perth  
PH2 8RA

28 July 2003

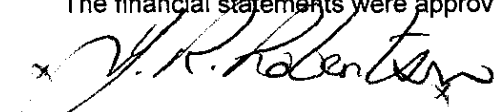
# ACTIONWEAR (SCOTLAND) LIMITED

## ABBREVIATED BALANCE SHEET AS AT 30 SEPTEMBER 2002

		2002		2001 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	2		57,737		63,669
<b>Current assets</b>					
Stocks		132,764		141,648	
Debtors		10,418		8,681	
Cash at bank and in hand		163,480		161,399	
		<u>306,662</u>		<u>311,728</u>	
<b>Creditors: amounts falling due within one year</b>		<u>(320,527)</u>		<u>(331,726)</u>	
<b>Net current liabilities</b>			(13,865)		(19,998)
<b>Total assets less current liabilities</b>			<u>43,872</u>		<u>43,671</u>
<b>Provisions for liabilities and charges</b>			<u>(1,758)</u>		<u>(1,820)</u>
			<u>42,114</u>		<u>41,851</u>
<b>Capital and reserves</b>					
Called up share capital	3		2		2
Profit and loss account			42,112		41,849
<b>Shareholders' funds - equity interests</b>			<u>42,114</u>		<u>41,851</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 28 July 2003

  
J R Robertson  
Director

# **ACTIONWEAR (SCOTLAND) LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2002**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No1 from producing a cash flow statement on the grounds that it is a small company.

#### **1.2 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### **1.3 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	15% reducing balance
Fixtures fittings and equipment	15% reducing balance
Property improvements	4% straight line

#### **1.4 Stock**

Stock is valued at the lower of cost and net realisable value.

#### **1.5 Pensions**

The company operates a defined contribution pension scheme for its directors and certain of its senior employees, contributions are charged to the profit and loss account as incurred.

#### **1.6 Deferred taxation**

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

The above amounts to a change in accounting policy. The previous policy was to provide deferred tax only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

The adoption of the standard requires a prior period adjustment to be made to recognise the liability which existed at the start of the financial year and which was not recognised under the old accounting policy. This has increased the deferred tax liability and reduced the retained profits by £1820.

# ACTIONWEAR (SCOTLAND) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2002

### 2 Fixed assets

	Tangible assets £
<b>Cost</b>	
At 1 October 2001	141,060
Additions	671
At 30 September 2002	<u>141,731</u>
<b>Depreciation</b>	
At 1 October 2001	77,393
Charge for the year	6,601
At 30 September 2002	<u>83,994</u>
<b>Net book value</b>	
At 30 September 2002	<u>57,737</u>
At 30 September 2001	<u>63,669</u>

### 3 Share capital

	2002 £	2001 £
<b>Authorised</b>		
500,000 Ordinary shares of £ 1 each	<u>500,000</u>	<u>500,000</u>
<b>Allotted, called up and fully paid</b>		
2 Ordinary shares of £ 1 each	<u>2</u>	<u>2</u>

### 4 Ultimate parent company

The company is a wholly owned subsidiary of Autow Centres Limited, a company incorporated in Scotland and having its registered office at Arran Road, Perth.

### 5 Related party transactions

The holding company has advanced funds totalling £269,295 to Actionwear (Scotland) Limited up to 30 September 2002 and it is anticipated that this support will continue until at least 30 September 2002.

The financial statements have been prepared on a going concern basis, the validity of which depends upon continued support from the holding company. Should this support not be available, adjustments would have to be made to restate the value of assets at their recoverable amount, to provide for further liabilities which might arise and to reclassify fixed assets as current assets.