

Fruit of the Loom Investments Limited

Report and Financial Statements

31 December 2021



Fruit of the Loom Investments Limited

Directors

S Stauter
B Bodenhamer

Secretary

TMF Corporate Administration Services Limited

Auditors

Ernst & Young LLP
Bedford House
16 Bedford Street
Belfast BT2 7DT

Bankers

Barclays Bank Plc
PO Box 3333
15 Colmore Row
Birmingham B3 2WN

Solicitors

Clifford Chance
200 Aldersgate Street
London EC1A 4JJ

Registered Office

Fruit of the Loom Ltd
c/o TMF Group
8th Floor
20 Farringdon Street
London
EC4A 4AB
United Kingdom

Registered No. 02459406

Directors' report

The directors present their report and financial statements for the year ended 31 December 2021.

Results and dividends

The profit for the year after taxation amounted to nil (2020 = nil). The directors do not recommend a final dividend (2020 = nil).

Principal activities and review of the business

The company, which is a 100% subsidiary of FOL International Unlimited Company, is an investment company holding the shares of Fruit of the Loom Limited.

Going concern

The Directors have assessed the ability of the Company to continue as a going concern. The review of the business activities over the past year is contained within the Directors' Report. The assessment of the risks and risk management procedures are included within the Strategic Report.

All creditors are being paid as they fall due and in line with normal, historic trading terms. All debtors are settling invoices as they fall due and in line with normal, historic trading terms. The Company's financial forecasts and projections have been prepared considering changes in operations and trading performance due to the ongoing pandemic. The company remains cash generative, even after applying sensitivities. The Company will operate within its facilities and meet its obligations as they fall due for a period to at least 30 September 2023.

In addition, the U.S. parent company provides all the financing needs of the Company during the seasonal cash cycle if required and has provided a parent support letter indicating that it will continue to do so.

The directors, therefore, have every expectation that the company has adequate resources to remain in operation for the foreseeable future and have therefore continued to adopt the going concern basis of accounting in preparing the annual financial statements.

Directors

The directors who served the company during the year were as follows:

S Stauter
B Bodenhamer

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors' report (continued)

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

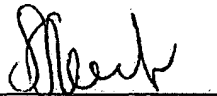
Small company exemptions

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Strategic Report

The directors have not prepared a strategic report as the company is entitled to the special provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

On behalf of the Board



Stefanie Stauter
Director

Date: 26 September 2022

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable UK 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 for that period.

In preparing those financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;

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 taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRUIT OF THE LOOM INVESTMENTS LIMITED

Opinion

We have audited the financial statements of Fruit of the Loom Investments Limited (the 'company') for the year ended 31 December 2021 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Balance Sheet and the related notes 1 to 7, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2021 and of its result 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 below. 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.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period to 30th September 2023.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRUIT OF THE LOOM INVESTMENTS LIMITED (continued)

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 this 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report and take advantage of the small companies exemption in preparing the Directors' Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRUIT OF THE LOOM INVESTMENTS LIMITED (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are the Companies Act 2006, the reporting framework FRS 101 'Reduced Disclosure Framework', the Bribery Act 2010, Money Laundering Regulations and UK Tax Legislation.
- We understood how Fruit of the Loom Investments Limited is complying with those frameworks by making enquiries of senior management, those charged with governance and those responsible for legal and compliance procedures. We corroborated our enquiries through review of the following documentation or performance of the following procedures:
 - obtaining an understanding of entity-level controls and considering the influence of the control environment;
 - obtaining an understanding of policies and procedures in place regarding compliance with laws and regulations, including how compliance with such policies is monitored and enforced; obtaining an understanding of management's process for identifying and responding to fraud risks, including programs and controls established to address risks identified, or otherwise prevent, deter and detect fraud, and how senior management monitors those programs and controls; and
 - review of board meeting minutes in the year and to date of signing.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRUIT OF THE LOOM INVESTMENTS LIMITED (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur through discussion within the audit team which included:
 - identification of related parties, including circumstances related to the existence of a related party with dominant influence.
 - understanding the company's business and entity-level controls and considering the influence of the control environment; and
 - considering the nature of the account and our assessment of inherent risk for relevant assertions of significant accounts.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing of journal entries, with focus on manual journals, large or unusual transactions, or journals meeting our defined risk criteria based on our understanding of the business; reviewing accounting estimates for evidence of management bias; enquiring of members of senior management and those charged with governance regarding their knowledge of any non-compliance or potential non-compliance with laws and regulations that could affect the financial statements; and inspecting correspondence, if any, with the relevant licensing or regulatory authorities.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. 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.



Michael Kidd (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Belfast

Date: 27 September 2022

Profit and loss account

for the year ended 31 December 2021

	Notes	2021 £	2020 £
Administrative expenses		—	—
Profit on ordinary activities before taxation		—	—
Tax	3	—	—
Profit for the financial year		—	—

All amounts relate to continuing activities.

Statement of comprehensive income

for the year ended 31 December 2021

There is no other comprehensive income to report in addition to nil profit for the financial year in the year ended 31 December 2021 (2020 – profit of nil).

Statement of changes in equity

at 31 December 2021

	Share capital £	Retained earnings £	Total Equity £
At 1 January 2021	500,000	2,334,734	2,834,734
Profit/Loss for the year	—	—	—
At 31 December 2021	500,000	2,334,734	2,834,734
Profit/Loss for the year	—	—	—
At 31 December 2021	500,000	2,334,734	2,834,734

Balance sheet

at 31 December 2021

	Notes	2021 £	2020 £
<i>Non-current assets</i>			
Investments	4	<u>7,687,564</u>	<u>7,687,564</u>
<i>Current liabilities</i>			
Amounts owed to group undertaking		<u>(4,852,830)</u>	<u>(4,852,830)</u>
Net assets		<u>2,834,734</u>	<u>2,834,734</u>
<i>Capital and reserves</i>			
Called up share capital	5	500,000	500,000
Profit and loss account		<u>2,334,734</u>	<u>2,334,734</u>
Total equity shareholders' funds		<u>2,834,734</u>	<u>2,834,734</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Stefanie Stauter
Director

Date: 26 September 2022

Registered No. 02459406

Notes to the financial statements

at 31 December 2021

1. Authorisation of financial statements and statement of compliance with FRS101

The financial statements of Fruit of the Loom Investments Limited (the "Company") for the year ended 31 December 2021 were authorised for issue in accordance with a resolution of the directors 26 September 2022.

Fruit of the Loom Investments Limited is a limited company incorporated and domiciled in England. The registered office is located at c/o TMF Group, 8th Floor, 20 Farringdon Street, London, EC4A 4AB, United Kingdom.

The Company's financial statements have been prepared in accordance with applicable accounting standards issued by the Financial reporting Council and promulgated by the Institute of Chartered Accountants in England and Wales.

The Company's financial statements are presented in Sterling as the directors regard this as the company's functional currency.

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of FOL International Unlimited Company.

The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

2.1 Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with Financial Reporting Standards 10 v1 Reduced Disclosure Framework

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) The requirements of IFRS 7 Financial Instruments: Disclosures;
- (b) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- (c) the requirement in paragraph 38 of IAS 1 "Presentation of Financial Statements" to present comparative information in respect of: (i) paragraph 79(a)(iv) of IAS 1; (ii) paragraph 73(e) of IAS 16 Property, Plant and Equipment; (iii) paragraph 118(e) of IAS 38 Intangible Assets;
- (d) the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 Presentation of Financial Statements;
- (e) the requirements of IAS 7 Statement of Cash Flows;
- (f) the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures; and
- (g) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.
- (h) the non-disclosure of key management personnel compensation in total.

Notes to the financial statements

At 31 December 2021

2. Accounting policies (continued)

2.1 Going concern- COVID 19

The Directors have assessed the ability of the Company to continue as a going concern.

The Coronavirus Pandemic (COVID-19) has posed many challenges worldwide and all areas of the economy have been impacted. The COVID-19 virus is negatively impacting the apparel industry in general and in particular the business segment that the company's investments operate in, due to the cancellations of trade shows, sporting and other events across Europe.

However, as an investment company COVID-19 has had no impact on the operations of the company. In addition, the U.S. parent company provides all the financing needs of the Company if required and has provided a parent support letter indicating that it will continue to do so. Accordingly, the directors believe that it is appropriate to prepare the financial statements on the going concern basis.

2.2 Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

In the directors' opinion there are no judgements (apart from those estimates) that have had a significant effect on amounts recognised in the financial statements.

2.3 Significant accounting policies

Foreign currencies

The company's financial statements are presented in sterling, which is also the company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Investments

Investments held as non-current assets are shown at cost less provision for impairment.

3. Tax

(a) Tax charge on ordinary activities

No charge arising in the year (2020: nil)

Notes to the financial statements

At 31 December 2021

4. Investments

*Subsidiary
undertakings
£*

Cost:

At 1 January 2021 and 31 December 2021

7,687,564

In the opinion of the directors the investments in subsidiary undertakings are worth at least the amount stated above.

Details of the investment in subsidiary undertakings, all of which are wholly owned and held directly by the company, are as follows:

<i>Name of company</i>	<i>Country of Registration</i>	<i>Holding</i>	<i>Nature of business</i>
Fruit of the Loom Limited	England and Wales	Ordinary shares 100%	Sale and distribution of apparel and provider of management services

5. Issued share capital

<i>Authorised</i>	<i>2021 No.</i>	<i>2020 No.</i>
Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>

<i>Allotted, called up and fully paid</i>	<i>No.</i>	<i>2021 £</i>	<i>No.</i>	<i>2020 £</i>
Ordinary shares of £1 each	500,000	<u>500,000</u>	500,000	<u>500,000</u>

6. Related party transactions

The Company has taken advantage of the exemption under paragraph 8 (k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries. The key management personnel disclosure exemption under paragraph 8 (j) of FRS 101 has also been adopted.

7. Ultimate parent undertaking and controlling party

The parent undertaking of the largest and smallest group of undertakings for which group financial statements are drawn up and of which the company is a member is Berkshire Hathaway Inc., incorporated in the US. Berkshire Hathaway Inc. is regarded as the ultimate parent undertaking.

Copies of the financial statements of Berkshire Hathaway Inc. can be obtained from Fruit of the Loom Limited, c/o TMF Group, 8th Floor, 20 Farringdon Street, London, EC4A 4AB.