

**REGISTERED NUMBER: 06753944 (England and Wales)**

**STRATEGIC REPORT,  
REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015  
FOR  
ASCOT INTERNATIONAL SPORTS & FOOTWEAR  
LIMITED**

**GBJ LLP  
Sterling House  
27 Hatchlands Road  
Redhill  
Surrey  
RH1 6RW**





**ASCOT INTERNATIONAL SPORTS & FOOTWEAR  
LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**DIRECTORS:** G D Seth  
Mrs J Seth  
R D Seth

**SECRETARY:** Mrs J Seth

**REGISTERED OFFICE:** Kingfisher House  
Restmor Way  
Hackbridge Road  
Wallington  
Surrey  
SM6 7AH

**REGISTERED NUMBER:** 06753944 (England and Wales)

**AUDITORS:** GBJ LLP  
Sterling House  
27 Hatchlands Road  
Redhill  
Surrey  
RH1 6RW



**ASCOT INTERNATIONAL SPORTS & FOOTWEAR  
LIMITED**

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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The directors present their strategic report for the year ended 31 December 2015.

**REVIEW OF BUSINESS**

The High Street is still not performing well in the footwear sector which has impacted our sales for this year. However the company's objectives are still maintained as better design and materials, new lines and maintain and increase market share.

The local exhibitions we did last year had a positive effect and we will continue these in the future, and a more targeted approach to customers are having beneficial results, these initiatives are continuing.

Wholesale margins are extremely tight but manageable and retail margins are fairly strong, and moving into slightly different price points is bearing favourable results.

Internet selling in this sector is increasing and we are looking at expanding sales via this medium in the future.

Currency risk has not been an issue during the year but the Brexit vote has caused us to re-evaluate our dollar buying procedures.

Key Performance Indicators are sales volumes and values which are monitored constantly as well as achieved margins. Staff efficiency has improved with better systems and software development.

**ON BEHALF OF THE BOARD:**



G D Seth - Director

13 September 2016



**ASCOT INTERNATIONAL SPORTS & FOOTWEAR  
LIMITED**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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The directors present their report with the financial statements of the company for the year ended 31 December 2015.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2015.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2015 to the date of this report.

G D Seth  
Mrs J Seth  
R D Seth

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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.



**ASCOT INTERNATIONAL SPORTS & FOOTWEAR  
LIMITED**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**ON BEHALF OF THE BOARD:**



G D Seth - Director

13 September 2016



## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ASCOT INTERNATIONAL SPORTS & FOOTWEAR LIMITED**

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We have audited the financial statements of Ascot International Sports & Footwear Limited for the year ended 31 December 2015 on pages seven to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

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

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.



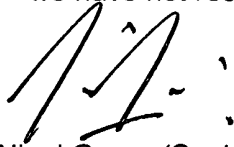
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
ASCOT INTERNATIONAL SPORTS & FOOTWEAR  
LIMITED**

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Nigel Green (Senior Statutory Auditor)  
for and on behalf of GBJ LLP  
Sterling House  
27 Hatchlands Road  
Redhill  
Surrey  
RH1 6RW

13 September 2016



**ASCOT INTERNATIONAL SPORTS & FOOTWEAR  
LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 £	2014 £
<b>TURNOVER</b>	2	<b>8,995,506</b>	10,294,583
Cost of sales		<b>7,365,053</b>	9,011,084
<b>GROSS PROFIT</b>		<b>1,630,453</b>	1,283,499
Administrative expenses		<b>1,445,755</b>	1,640,648
		<b>184,698</b>	(357,149)
Other operating income		<b>360,000</b>	-
<b>OPERATING PROFIT/(LOSS)</b>	4	<b>544,698</b>	(357,149)
Amounts written off investments	5	<b>173,743</b>	-
		<b>370,955</b>	(357,149)
Interest payable and similar charges	6	<b>40,687</b>	74,924
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>330,268</b>	(432,073)
Tax on profit/(loss) on ordinary activities	7	<b>34,039</b>	(84,837)
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<b>296,229</b>	(347,236)
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>296,229</b>	(347,236)

The notes form part of these financial statements



**ASCOT INTERNATIONAL SPORTS & FOOTWEAR  
LIMITED (REGISTERED NUMBER: 06753944)**

**BALANCE SHEET  
31 DECEMBER 2015**

	Notes	£	2015 £	£	2014 £
<b>FIXED ASSETS</b>					
Tangible assets	8		96,722		144,886
<b>CURRENT ASSETS</b>					
Stocks	9	1,214,259		1,915,763	
Debtors	10	2,090,713		2,113,339	
Cash at bank and in hand		373,799		6,150	
		<u>3,678,771</u>		<u>4,035,252</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	11	3,003,535		3,704,409	
<b>NET CURRENT ASSETS</b>			<u>675,236</u>		<u>330,843</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>771,958</u>		<u>475,729</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		1		1
Retained earnings	15		771,957		475,728
<b>SHAREHOLDERS' FUNDS</b>			<u>771,958</u>		<u>475,729</u>

The financial statements were approved by the Board of Directors on 13 September 2016 and were signed on its behalf by:



G D Seth - Director

The notes form part of these financial statements



**ASCOT INTERNATIONAL SPORTS & FOOTWEAR  
LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 January 2014</b>	1	822,964	822,965
<b>Changes in equity</b>			
Total comprehensive income	-	(347,236)	(347,236)
<b>Balance at 31 December 2014</b>	<u>1</u>	<u>475,728</u>	<u>475,729</u>
<b>Changes in equity</b>			
Total comprehensive income	-	296,229	296,229
<b>Balance at 31 December 2015</b>	<u>1</u>	<u>771,957</u>	<u>771,958</u>

The notes form part of these financial statements



**ASCOT INTERNATIONAL SPORTS & FOOTWEAR  
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office improvements and fixtures	- 25% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**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 transaction. Exchange differences are taken into account in arriving at the operating result.



**ASCOT INTERNATIONAL SPORTS & FOOTWEAR  
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**2. TURNOVER**

The turnover and profit (2014 - loss) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
United Kingdom	<b>6,913,506</b>	8,677,583
Europe	<b>175,000</b>	1,569,000
Rest of the World	<b>1,907,000</b>	48,000
	<b><u>8,995,506</u></b>	<b><u>10,294,583</u></b>

**3. STAFF COSTS**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b><u>569,270</u></b>	<b><u>552,103</u></b>

The average monthly number of employees during the year was as follows:

<b>2015</b>	<b>2014</b>
<b><u>26</u></b>	<b><u>23</u></b>

**4. OPERATING PROFIT/(LOSS)**

The operating profit (2014 - operating loss) is stated after charging/(crediting):

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Depreciation - owned assets	<b>54,721</b>	52,545
Profit on disposal of fixed assets	<b>(7,708)</b>	(225)
Auditors' remuneration	<b><u>15,576</u></b>	<b><u>15,233</u></b>
Directors' remuneration	<b><u>36,151</u></b>	<b><u>22,772</u></b>



**ASCOT INTERNATIONAL SPORTS & FOOTWEAR  
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**5. AMOUNTS WRITTEN OFF INVESTMENTS**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Loan written off	<b>173,743</b>	<b>-</b>

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Bank interest	<b>5,924</b>	<b>48,472</b>
Other interest payable	<b>34,763</b>	<b>26,452</b>
	<b>40,687</b>	<b>74,924</b>

**7. TAXATION**

**Analysis of the tax charge/(credit)**

The tax charge/(credit) on the profit on ordinary activities for the year was as follows:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Current tax:		
UK corporation tax	<b>34,039</b>	<b>-</b>
Prior year corporation tax	<b>-</b>	<b>(84,837)</b>
	<b>34,039</b>	<b>(84,837)</b>



**ASCOT INTERNATIONAL SPORTS & FOOTWEAR  
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**8. TANGIBLE FIXED ASSETS**

	Office improvements and fixtures £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 January 2015	82,148	156,534	15,545	254,227
Additions	-	13,700	-	13,700
Disposals	-	(82,549)	-	(82,549)
At 31 December 2015	82,148	87,685	15,545	185,378
<b>DEPRECIATION</b>				
At 1 January 2015	27,074	70,513	11,754	109,341
Charge for year	19,064	32,205	3,452	54,721
Eliminated on disposal	-	(75,406)	-	(75,406)
At 31 December 2015	46,138	27,312	15,206	88,656
<b>NET BOOK VALUE</b>				
At 31 December 2015	36,010	60,373	339	96,722
At 31 December 2014	55,074	86,021	3,791	144,886

**9. STOCKS**

	2015 £	2014 £
Finished goods	1,214,259	1,915,763

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Trade debtors	1,190,813	1,554,893
Amounts owed by group undertakings	270	270
Other debtors	870,902	530,064
Prepayments	28,728	28,112
	2,090,713	2,113,339



**ASCOT INTERNATIONAL SPORTS & FOOTWEAR  
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts (see note 12)	-	1,097,234
Trade creditors	<b>115,789</b>	32,807
Amounts owed to group undertakings	<b>413,436</b>	386,655
Corporation tax	<b>41,123</b>	79,910
Social security and other taxes	<b>10,095</b>	11,573
VAT	<b>72,430</b>	107,540
Other creditors	<b>168,182</b>	199,455
Amounts due to related parties	<b>1,006,903</b>	764,158
Accrued expenses	<b>1,175,577</b>	1,025,077
	<u><b>3,003,535</b></u>	<u><b>3,704,409</b></u>

**12. LOANS**

An analysis of the maturity of loans is given below:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year or on demand:		
Bank overdrafts	-	1,097,234
	<u>-</u>	<u>1,097,234</u>

**13. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Bank overdraft	-	1,097,234
	<u>-</u>	<u>1,097,234</u>

The letter of credit facilities are secured by way of a fixed and floating charge over all the assets of the group both present and future.

The company is also subject to an unlimited multilateral guarantee with respect to all fellow group companies.



**ASCOT INTERNATIONAL SPORTS & FOOTWEAR  
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**14. CALLED UP SHARE CAPITAL**

**Allotted, issued and fully paid:**

<b>Number:</b>	<b>Class:</b>	<b>Nominal value:</b>	<b>2015 £</b>	<b>2014 £</b>
1	Ordinary	£1	<u>1</u>	<u>1</u>

**15. RESERVES**

	<b>Retained earnings £</b>
At 1 January 2015	<b>475,728</b>
Profit for the year	<b>296,229</b>
	<u><b>771,957</b></u>
At 31 December 2015	

**16. ULTIMATE PARENT COMPANY**

The company is a wholly owned subsidiary of Ascot TM Limited, a company registered in England and Wales.



**ASCOT INTERNATIONAL SPORTS & FOOTWEAR  
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**17. RELATED PARTY DISCLOSURES**

During the period the company made purchases totalling £4,692,141 (2014: £6,498,000) from Atom Limited, a company registered in Hong Kong and controlled by G D Seth. At the balance sheet date £963,570 (2014: £790,610) was owed by the company to Atom Limited. Interest of £34,667 (2014: £26,452) was paid to Atom Limited during the year.

Management charges of £89,955 (2014: £102,945) were charged to the company by the parent company Ascot TM Limited during the year. These charges included the use of the trademarks held by Ascot TM Limited.

At the balance sheet date, £35,856 (2014: £188,905) was owed from Aruna Seth Shoes Limited, a company registered in England and Wales, in which G D Seth owns 50% of the share capital.

At the balance sheet date, £567,601 (2014: £240,252) was owed from Protein World Limited, a company registered in England and Wales, in which G D Seth is a director and owns 50% of the share capital.

At the balance sheet date, £190,201 (2014: £nil) was owed from Aruna Blu Limited, a company registered in England and Wales, in which G D Seth is a director and owns 50% of the share capital.

At the balance sheet date, £77,243 (2014: £nil) was owed from Good Guru Limited, a company registered in England and Wales, in which G D Seth is a director and owns 60% of the share capital.

**18. ULTIMATE CONTROLLING PARTY**

Throughout the period the ultimate controlling party was G D Seth.

**19. FIRST YEAR ADOPTION**

No Restatement of the comparative prior year amounts has taken place as, in the opinion of the directors these amounts are not material and therefore they are satisfied the amounts give a true and fair view of the comparative position.