

SMITH & BROOKS LIMITED

ANNUAL REPORT

FOR THE PERIOD ENDED 26 APRIL 2020

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SMITH & BROOKS LIMITED

COMPANY INFORMATION

Directors	A P O Dick A A Adegoke
Company secretary	T J Piper
Registered number	02073720
Registered office	Unit A Brook Park East Shirebrook Mansfield NG20 8RY
Independent auditor	Cooper Parry Group Limited Chartered Accountants & Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA

SMITH & BROOKS LIMITED

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SMITH & BROOKS LIMITED

STRATEGIC REPORT FOR THE PERIOD ENDED 26 APRIL 2020

The directors present the strategic report and financial statements for the period ended 26 April 2020.

Business review

The economic situation and trading environment remained challenging and competitive. Trading activity has declined in the period overall.

Key performance indicators

The directors consider turnover, gross profit and gross profit margin to be key performance indicators for the company. During the period:

- Turnover decreased from £18.5m to £7.3m.
- Gross profit decreased from £1.3m to £0.3m.
- Gross profit margin decreased from 7.2% to 4.7%.

Principal risks and uncertainties

Financial risk

A significant portion of the company's merchandise is sourced from companies based in the Far East, who demand payment in US Dollars. The company's exposure to movements in foreign currencies is mitigated by forward exchange contracts held by Frasers Group plc. The directors regularly assess credit risks facing the company and have put systems in place to minimise risks.

Liquidity risk

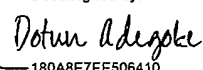
The company has access to a working capital loan facility with Sportsdirect.com Retail Limited. This enables the company to benefit from specialised central treasury functions to mitigate liquidity risk.

Future developments

In the coming year the company is expected to reduce its trading activity as this trade is taken on by fellow Frasers Group plc subsidiaries.

This report was approved by the board and signed on its behalf by:

DocuSigned by:



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A A Adegoke

Director

Date: 12 November 2021

SMITH & BROOKS LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 26 APRIL 2020

The directors present their report and the financial statements for the period ended 26 April 2020.

Principal activity

The principal activity of the company continued to be that of design, production and distribution of clothing.

Results and dividends

The loss for the period, after taxation, amounted to £1,382,913 (2019: profit £72,670). Dividends of £9,000,000 were paid in the period (2019: £Nil).

Directors' responsibilities statement

The directors are responsible for preparing the annual 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 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'. 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 for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 to 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.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

A A Adegoke
A P O Dick

Qualifying third party indemnity provisions

Fraser's Group plc has granted the directors with Qualifying Third Party Indemnity provisions within the meaning given to the term by Sections 234 and 235 of the Companies Act 2006. This is in respect of liabilities to which they become liable in their capacity of director of the company and of any company within the group. Such indemnities were in force throughout the financial period and will remain in force.

SMITH & BROOKS LIMITED

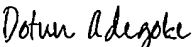
**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 26 APRIL 2020**

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board and signed on its behalf.

DocuSigned by:

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A A Adegoke
Director

Date: 12 November 2021

SMITH & BROOKS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMITH & BROOKS LIMITED

Opinion

We have audited the financial statements of Smith & Brooks Limited (the 'company') for the period ended 26 April 2020, which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the related notes, 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 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 26 April 2020 and of its loss for the period 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 United Kingdom, including the Financial Reporting Council'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.

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that the company is reliant on the support of the wider Frasers Group plc group but no formal support letter is in place. As stated in note 1.2, this indicates that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Auditor's Report thereon. 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.

In connection with our audit of the financial statements, 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 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

SMITH & BROOKS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMITH & BROOKS LIMITED (CONTINUED)

Opinion 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 Strategic report and the Directors' Report for the financial period 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.

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 set out on page 2, 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

SMITH & BROOKS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMITH & BROOKS LIMITED (CONTINUED)

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.

Cooper Parry Group Ltd.

Catherine Kelly (Senior Statutory Auditor)

for and on behalf of

Cooper Parry Group Limited

Chartered Accountants

Statutory Auditor

Sky View

Argosy Road

East Midlands Airport

Castle Donington

Derby

DE74 2SA

Date: 12 November 2021

SMITH & BROOKS LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 26 APRIL 2020**

	Note	2020 £	2019 £
Turnover	3	7,328,851	18,522,745
Cost of sales		(6,982,176)	(17,189,700)
Gross profit		346,675	1,333,045
Administrative expenses		(1,729,560)	(1,259,367)
Operating (loss)/profit	4	(1,382,885)	73,678
Interest payable and expenses		(28)	-
(Loss)/profit before taxation		(1,382,913)	73,678
Taxation on (loss)/profit	6	-	(1,008)
(Loss)/profit for the financial period		(1,382,913)	72,670

There were no recognised gains and losses for 2020 or 2019 other than those included in the profit and loss account.

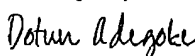
The notes on pages 10 to 19 form part of these financial statements.

SMITH & BROOKS LIMITED
REGISTERED NUMBER: 02073720

BALANCE SHEET
AS AT 26 APRIL 2020

	Note	26 April 2020 £	28 April 2019 £
Current assets			
Stocks	8	17,781	244,014
Debtors	9	2,129,496	28,650,120
Cash at bank and in hand		2,673	107,064
		<u>2,149,950</u>	<u>29,001,198</u>
Creditors: Amounts falling due within one year	10	<u>(1,852,388)</u>	<u>(18,320,723)</u>
Net current assets		297,562	10,680,475
Net assets		<u><u>297,562</u></u>	<u><u>10,680,475</u></u>
Capital and reserves			
Called up share capital	12	10,000	10,000
Capital contribution reserve	14	968,000	968,000
Other reserves	14	645,940	645,940
Profit and loss reserves	14	<u>(1,326,378)</u>	<u>9,056,535</u>
Shareholders' funds		<u><u>297,562</u></u>	<u><u>10,680,475</u></u>

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

DocuSigned by:

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A A Adegoke
 Director

Date: 12 November 2021

SMITH & BROOKS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 26 APRIL 2020

	Called up share capital £	Capital contribution reserve £	Other reserves £	Retained earnings £	Total equity £
At 29 April 2018	10,000	-	645,940	8,983,865	9,639,805
Profit for the period	-	-	-	72,670	72,670
Capital contribution in the period	-	968,000	-	-	968,000
At 29 April 2019	10,000	968,000	645,940	9,056,535	10,680,475
Loss for the period	-	-	-	(1,382,913)	(1,382,913)
Dividends	-	-	-	(9,000,000)	(9,000,000)
At 26 April 2020	10,000	968,000	645,940	(1,326,378)	297,562

The notes on pages 10 to 19 form part of these financial statements.

SMITH & BROOKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 APRIL 2020

1. Accounting policies

Company information

Smith & Brooks Limited (the company) is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is shown on the company information page.

1.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The financial statements are prepared in Sterling (£), which is the functional currency of the company. The financial statements are for the year ended 26 April 2020 (2019: year ended 28 April 2019).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The following principal accounting policies have been applied:

1.2 Going concern

The directors have reviewed future forecasts, and as the parent company is continuing to informally support the company, the directors consider that it is appropriate for the accounts to be prepared on a going concern basis. However, as no formal support is in place there is a material uncertainty over the company's ability to continue as a going concern.

1.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Investments

Investments held as fixed assets are initially measured at cost and reviewed annually for signs of impairment. If an impairment loss is identified this is recognised in the profit and loss account and the value of the investment is reduced accordingly. Income from investments are recognised in the profit and loss account during the period in which they were derived.

SMITH & BROOKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 APRIL 2020

1. Accounting policies (continued)

1.5 Stocks

Stock is valued at the lower of cost and net realisable value being estimated selling price less cost to complete and sell. Cost is based on the cost of purchases and standard cost basis. At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

1.6 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from banks and other third parties and loans with related parties.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost. For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

1.7 Taxation

The tax charge for the year comprises of current and deferred tax.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only 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 calculated 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.

1.8 Pensions

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign countries are recorded at the rate ruling at the date of transaction. All differences are taken to profit and loss account.

SMITH & BROOKS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 26 APRIL 2020**

1. Accounting policies (continued)

1.10 Disclosure exemptions.

The company has adopted the following disclosure exemptions:

Under FRS 102 Section 1.12, the company is exempt from the requirements to prepare a statement of cash flows on the grounds that the parent company of the group, Frasers Group plc, includes the company's cash flows in its own published consolidated financial statements.

The entity is a 'qualifying entity' and has also taken advantage of the exemption from disclosing key management personnel (other than directors emoluments) and certain information relating to financial instruments under FRS 102 Section 1.12.

As the company is wholly owned subsidiary of a company whose consolidated accounts include results of the subsidiary and are publicly available, the company has taken advantage of the FRS 102 Section 33.1a exemption from disclosing transactions with the group undertakings.

Where required, equivalent disclosures are given in the group accounts of Frasers Group plc. The group accounts of Frasers Group plc are available to the public and can be obtained as set out in note 15.

1.11 Exemption from preparing consolidated financial statements

The company is a parent company that is also a subsidiary included in the consolidated financial statements of its UK parent undertaking and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

SMITH & BROOKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 APRIL 2020

2. Judgements in applying accounting policies 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.

Critical judgements

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

Assumptions relating to tax

The directors are required to determine the amount of deferred tax assets or liabilities that can be recognised, based upon likely timing and level of future taxable profits.

Management judgment is required to estimate the availability and allocation of tax losses within the group, based upon the level of taxable profits across the group.

Recoverability of trade debtors

Trade and other debtors are recognised to the extent that they are judged recoverable. Management makes allowance for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable.

Management specifically analyse historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the provision for doubtful debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of debtors and the charge in the profit and loss account.

Provisions

A provision is recognised when the company has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flow at a rate that reflects the time value of money and the risks specific to the liability.

Whether a present obligation is probable or not requires judgement. The nature and type of risks for these provisions differ and management's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

SMITH & BROOKS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 26 APRIL 2020****3. Turnover and other revenue**

All turnover is attributable to the principal activity of the company.

Analysis of turnover by country of destination:

	2020 £	2019 £
United Kingdom	5,119,030	14,689,166
Europe	702,352	2,499,838
Rest of the World	1,507,469	1,333,741
	<u>7,328,851</u>	<u>18,522,745</u>

4. Operating (loss)/profit

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

	2020 £	2019 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	6,250	13,385
Difference on foreign exchange	(6,947)	49,156
	<u>6,250</u>	<u>49,156</u>

5. Employees

Staff costs were as follows:

	2020 £	2019 £
Wages and salaries	524,475	690,851
Social security costs	49,322	77,199
Other pension costs	9,672	9,244
	<u>583,469</u>	<u>777,294</u>

The company has no employees and staff costs are recharged by a fellow group company. Directors are employed and remunerated through other group companies.

SMITH & BROOKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 26 APRIL 2020

6. Taxation

	2020 £	2019 £
Deferred tax		
Origination and reversal of timing differences	-	1,315
Adjustments in relation to prior periods	-	(169)
Changes in tax rates	-	(138)
Total deferred tax	-	1,008
Taxation on (loss)/profit	-	1,008

Factors affecting tax charge for the period

The tax assessed for the period is higher than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
(Loss)/profit on ordinary activities before tax	(1,382,913)	73,678
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(262,753)	13,999
Effects of:		
Tax effect of expenses that are not deductible in determining taxable profit	-	52,980
Deferred tax adjustments in respect of prior years	-	(169)
Group relief	262,753	(104,285)
Deferred tax - change in rate	-	(138)
Transfer pricing adjustments	-	38,621
Total tax charge for the period	-	1,008

Factors that may affect future tax charges

On 3 March 2021, the Chancellor of the Exchequer announced that the corporation tax rate would increase to a maximum of 25% from 1 April 2023. It was substantively enacted on 24 May 2021 and so the deferred tax rate applicable at 26 April 2020 was still 19%.

SMITH & BROOKS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 26 APRIL 2020****7. Subsidiaries**

Details of the company's subsidiaries at 26 April 2020 are as follows:

Name of undertaking	Nature of business	Class of shares held	%Held Direct
Baseridge Limited	Dormant	Ordinary	100.00
Eastchance Limited	Wholesale	Ordinary	100.00
Graduate Clothing Limited	Dormant	Ordinary	100.00
Propeller (U.K) Limited	Dormant	Ordinary	100.00
Smith and Brooks (India) Limited	Dormant	Ordinary	100.00

Through its investment in Graduate Clothing Limited, the company also holds an indirect investment of 50% in Tallsway Limited, a company incorporated in Great Britain, whose registered office is the same as that of Smith & Brooks Limited, as disclosed on the company information page.

Smith and Brooks (India) Limited, Graduate Clothing Limited and Propeller (U.K) Limited were all registered or incorporated in Great Britain and their registered office is the same as that of Smith & Brooks Limited as disclosed on the company information page. Eastchance Limited and Baseridge Limited were both registered or incorporated in Hong Kong. Their registered office is Flat 1714, 17/F, Miramar Tower, 132 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong.

8. Inventory

	26 April 2020 £	28 April 2019 £
Raw materials and consumables	17,781	244,014

An impairment loss of £76,201 (2019: £53,458) was recognised in cost of sales against stock during the period due to slow-moving and obsolete stock.

SMITH & BROOKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 26 APRIL 2020

9. Debtors

	26 April 2020 £	28 April 2019 £
Trade debtors	584,218	1,468,982
Amounts owed by group undertakings	1,433,689	25,791,660
Other debtors	-	62,252
Prepayments and accrued income	106,228	1,321,865
Deferred tax	5,361	5,361
	<u>2,129,496</u>	<u>28,650,120</u>

10. Creditors: Amounts falling due within one year

	26 April 2020 £	28 April 2019 £
Trade creditors	102,211	1,197,610
Amounts owed to group undertakings	3,361	13,736,377
Taxation and social security	58,831	-
Other creditors	549,648	689,488
Accruals and deferred income	1,138,337	2,697,248
	<u>1,852,388</u>	<u>18,320,723</u>

SMITH & BROOKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 26 APRIL 2020

11. Deferred taxation

	26 April 2020 £	28 April 2019 £
At beginning of period	5,361	6,369
Charged to profit or loss	-	(1,008)
At end of period	5,361	5,361

The deferred tax asset is made up as follows:

	26 April 2020 £	28 April 2019 £
Accelerated capital allowances	5,361	5,361

12. Share capital

	26 April 2020 £	28 April 2019 £
Allotted, called up and fully paid		
10,000 (2019 - 10,000) Ordinary shares of £1 each	10,000	10,000

13. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the scheme and amounted to £9,672 (2019: £9,244).

14. Reserves

Capital contribution reserve

The capital contribution reserve relates to capital contributions made by the parent company in respect of the waiver of intercompany balances relating to former share schemes in operation in the Frasers Group plc group.

Profit and loss account

The profit and loss reserve represents accumulated comprehensive income, less dividends, for the current and prior periods.

SMITH & BROOKS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 26 APRIL 2020**

15. Ultimate parent undertaking and controlling party

The ultimate controlling party is M J W Ashley, by virtue of his 100% ownership of MASH Holdings Limited, the ultimate parent company. MASH Holdings Limited indirectly hold the majority of shares in Smith and Brooks Holdings Limited (the immediate parent company).

Fraser's Group plc is the smallest company and MASH Holdings Limited is the largest company to consolidate these accounts. Both MASH Holdings Limited and Fraser's Group plc are companies registered in England and Wales. A copy of the respective group accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.