

REGISTERED NUMBER: 03633146 (England and Wales)

US APPAREL (UK) LTD

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

US APPAREL (UK) LTD (REGISTERED NUMBER: 03633146)

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

	Page
Statement of Financial Position	1
Notes to the Financial Statements	2

STATEMENT OF FINANCIAL POSITION
30 JUNE 2018

		2018		2017	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	4		315		365
Tangible assets	5		20,964		23,249
			<u>21,279</u>		<u>23,614</u>
Current assets					
Stocks		-		102,291	
Debtors	6	346,200		738,602	
Cash at bank and in hand		<u>370,503</u>		<u>39,763</u>	
		716,703		880,656	
Creditors					
Amounts falling due within one year	7	<u>749,961</u>		<u>913,672</u>	
Net current liabilities			<u>(33,258)</u>		<u>(33,016)</u>
Total assets less current liabilities			<u>(11,979)</u>		<u>(9,402)</u>
Capital and reserves					
Called up share capital			100		100
Retained earnings			<u>(12,079)</u>		<u>(9,502)</u>
			<u>(11,979)</u>		<u>(9,402)</u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors on 27 March 2019 and were signed on its behalf by:

Mr Muhammad Saqib - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

1. Statutory information

US Apparel (UK) Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address are as below:

Registered number:	03633146
Registered office:	Riley House 183-185 North Road Preston Lancashire PR1 1YQ

2. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of 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.

Turnover

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

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of twenty years.

Tangible fixed assets

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

Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

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

Stocks

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

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018**

2. Accounting policies - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position 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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

3. Employees and directors

The average number of employees during the year was 4 (2017 - 5) .

4. Intangible fixed assets

Cost

At 1 July 2017
and 30 June 2018

Amortisation

At 1 July 2017
Amortisation for year
At 30 June 2018

Net book value

At 30 June 2018
At 30 June 2017

**Patents
and
licences
£**

1,000

635

50

685

315

365

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

5. Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Totals £
Cost			
At 1 July 2017	52,577	16,968	69,545
Additions	2,046	-	2,046
At 30 June 2018	<u>54,623</u>	<u>16,968</u>	<u>71,591</u>
Depreciation			
At 1 July 2017	34,696	11,600	46,296
Charge for year	2,989	1,342	4,331
At 30 June 2018	<u>37,685</u>	<u>12,942</u>	<u>50,627</u>
Net book value			
At 30 June 2018	<u>16,938</u>	<u>4,026</u>	<u>20,964</u>
At 30 June 2017	<u>17,881</u>	<u>5,368</u>	<u>23,249</u>

6. Debtors: amounts falling due within one year

	2018 £	2017 £
Trade debtors	311,354	690,651
Other debtors	<u>34,846</u>	<u>47,951</u>
	<u>346,200</u>	<u>738,602</u>

7. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	663,561	822,119
Taxation and social security	2,223	8,553
Other creditors	<u>84,177</u>	<u>83,000</u>
	<u>749,961</u>	<u>913,672</u>

The company has provided security over the company assets via debenture dated 29th November 2012 with the company bankers.

8. Disclosure under Section 444(5B) of the Companies Act 2006

The Report of the Auditors was unqualified.

Farook Patel (Senior Statutory Auditor)
for and on behalf of Riley Moss Audit LLP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

9. Related party disclosures

During the year the company purchased goods totalling to £1,864,046 (2017: £2,190,780) from US Apparel & Textiles (Pvt) Limited, a subsidiary of the company's holding company AJ Holdings (PVT) Limited. The amount owed to US Apparel & Textiles (Pvt) Limited, as at 30 June 2018 was £633,674 (2017: £818,751). The company received management fee income of £449,471 (2017: £449,684) from US Apparel & Textiles (Pvt) Limited for the management of the company. As at 30 June 2018, £nil (2017: £nil) was receivable from US Apparel & Textiles (Pvt) Limited.

As at 30 June 2018 the company owed AJ Investment Limited an amount of £75,000 (2017: £75,000). Mr. Javaid Bhatti, Mr. Mian Ahsan and Mr. Muhammad Umer Ahsan are the directors of AJ Investments Limited and US Apparel (UK) Limited. The loan is unsecured, interest free and repayable on demand.

10. Ultimate controlling party

The company's ultimate parent company is AJ Holdings (PVT) Limited which is registered in Lahore, Pakistan.

11. Going concern

The company's parent company has confirmed that it will continue to make available such financial support as is required to enable the company to continue to trade for the foreseeable future. Having considered this and all other information available to them up to the date on which the financial statements were approved, the directors consider that it is appropriate to prepare the financial statements on a going concern basis.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.