

Company Registration No. 02577464 (England and Wales)

SPORTS TRADERS ALLIANCE GROUP LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2007

THURSDAY



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COMPANIES HOUSE

SPORTS TRADERS ALLIANCE GROUP LIMITED

COMPANY INFORMATION

Directors	R Chandler W Robertson	(Appointed 27 March 2007)
Secretary	D Robshaw	
Company number	02577464	
Registered office	The Courtyard 221 Cheney Manor Swindon Wiltshire SN2 2PE	
Auditors	Robson Taylor Charter House, The Square Lower Bristol Road, Bath, BA2 3BH	
Bankers	National Westminster Bank plc PO Box 1680 Bath BA1 3TJ	

SPORTS TRADERS ALLIANCE GROUP LIMITED

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SPORTS TRADERS ALLIANCE GROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JANUARY 2007

The directors present their report and financial statements for the year ended 31 January 2007

Principal activities

The principal activity of the company continued to be that of a U K buying group for the sportswear and sports equipment independent retail sector

Directors

The following directors have held office since 1 February 2006

R Chandler	(Appointed 27 March 2007)
W Robertson	

Director's interests

The director's interest in the shares of the company was as stated below

	Ordinary shares of £1 each	
	31 January 2007	1 February 2006
W Robertson	-	-

	Preference shares of £1 each	
	31 January 2007	1 February 2006
W Robertson	-	-

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Robson Taylor be reappointed as auditors of the company will be put to the Annual General Meeting

SPORTS TRADERS ALLIANCE GROUP LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2007

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 proper accounting records which 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 1985. 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

Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

By order of the board



D Robshaw

Secretary

24/05/2007

SPORTS TRADERS ALLIANCE GROUP LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF SPORTS TRADERS ALLIANCE GROUP LIMITED

We have audited the financial statements of Sports Traders Alliance Group Limited on pages 5 to 13 for the year ended 31 January 2007. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), 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 the directors and auditors

As described in the Statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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, and whether in our opinion the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, 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 other transactions 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.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

SPORTS TRADERS ALLIANCE GROUP LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF SPORTS TRADERS ALLIANCE GROUP LIMITED

Opinion

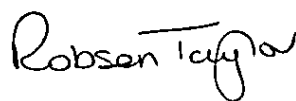
In our opinion

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 January 2007 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements

Robson Taylor

Chartered Accountants

Registered Auditor



Charter House, The Square
Lower Bristol Road,
Bath, BA2 3BH

25 MAY 2007

SPORTS TRADERS ALLIANCE GROUP LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2007

	Notes	2007 £	2006 £
Turnover		15,419,411	12,013,237
Cost of sales		(14,452,147)	(11,274,179)
Gross profit		967,264	739,058
Administrative expenses		(758,183)	(579,296)
Operating profit	2	209,081	159,762
Other interest receivable and similar income		100	-
Interest payable and similar charges	3	(81,530)	(84,384)
Profit on ordinary activities before taxation		127,651	75,378
Tax on profit on ordinary activities	4	(40,082)	(21,026)
Profit for the year	12	87,569	54,352

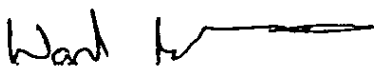
SPORTS TRADERS ALLIANCE GROUP LIMITED

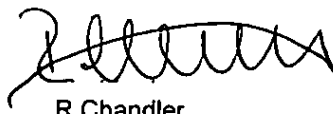
BALANCE SHEET AS AT 31 JANUARY 2007

	Notes	2007 £	£	2006 £	£
Fixed assets					
Tangible assets	5		28,056		15,131
Current assets					
Debtors	6	2,545,880		2,200,279	
Cash at bank and in hand		3,776		9	
		<u>2,549,656</u>		<u>2,200,288</u>	
Creditors amounts falling due within one year	7	<u>(2,436,461)</u>		<u>(2,116,311)</u>	
Net current assets			<u>113,195</u>		<u>83,977</u>
Total assets less current liabilities			<u>141,251</u>		<u>99,108</u>
Creditors: amounts falling due after more than one year	8		<u>(4,874)</u>		<u>(400)</u>
			<u>136,377</u>		<u>98,708</u>
Capital and reserves					
Called up share capital	11	101,500		101,500	
Other reserves	12	200		100	
Profit and loss account	12	34,677		(2,892)	
Shareholders' funds			<u>136,377</u>		<u>98,708</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the Board on 24/05/2007


W Robertson
Director


R Chandler
Director

SPORTS TRADERS ALLIANCE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards

1.3 Turnover

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

1.4 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

Fixtures, fittings & equipment	20% straight line basis
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1.5 Deferred taxation

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

1.6 Redeemable preference shares

In line with FRS25, the redeemable preference shares have been reclassified as liabilities in the accounts

2 Operating profit

	2007	2006
	£	£
Operating profit is stated after charging		
Depreciation of tangible assets	11,630	6,991
Auditors' remuneration	5,500	6,467
Directors' emoluments	61,250	50,962

3 Interest payable

	2007	2006
	£	£
Included in interest payable is the following amount		
Dividends paid on preference shares classified as financial liabilities		
Preference interim paid	10,458	-

SPORTS TRADERS ALLIANCE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2007

4	Taxation	2007 £	2006 £
	Domestic current year tax		
	U K corporation tax	16	9,507
	Current tax charge	16	9,507
	Deferred tax		
	Deferred tax charge/credit current year	40,066	11,519
		40,082	21,026

The company has estimated losses of £ 39,004 (2006 - £ 267,987) available for carry forward against future trading profits

5	Tangible fixed assets	Land and buildings	Plant and machinery etc	Total
		£	£	£
	Cost			
	At 1 February 2006	13,944	67,226	81,170
	Additions	-	24,555	24,555
	Disposals	(13,944)	-	(13,944)
	At 31 January 2007	-	91,781	91,781
	Depreciation			
	At 1 February 2006	13,944	52,095	66,039
	On disposals	(13,944)	-	(13,944)
	Charge for the year	-	11,630	11,630
	At 31 January 2007	-	63,725	63,725
	Net book value			
	At 31 January 2007	-	28,056	28,056
	At 31 January 2006	-	15,131	15,131

The net book value of other tangible fixed assets includes £8,704 (2006 - £-) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £2,176 (2006 - £-) for the year.

SPORTS TRADERS ALLIANCE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2007

6 Debtors	2007 £	2006 £
Trade debtors	1,699,375	1,324,550
Amounts owed by group undertakings and undertakings in which the company has a participating interest	766,129	766,129
Other debtors	69,652	58,810
Deferred tax asset (see note 9)	10,724	50,790
	<u>2,545,880</u>	<u>2,200,279</u>

7 Creditors, amounts falling due within one year	2007 £	2006 £
Bank loans and overdrafts	744,248	975,338
Net obligations under hire purchase contracts	3,661	-
Trade creditors	1,600,062	1,092,883
Taxation and social security	8,131	20,740
Other creditors	80,359	27,350
	<u>2,436,461</u>	<u>2,116,311</u>

Included within bank borrowing are debt factoring advances of £744,248 (2006 £805,599) which are secured on the trade debtors balance

There is also a scheduled mortgage debenture dated 16 July 2003 in favour of the National Westminster Bank plc

SPORTS TRADERS ALLIANCE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2007

8	Creditors' amounts falling due after more than one year	2007 £	2006 £
	Other loans	300	400
	Net obligations under hire purchase contracts	4,574	-
		<u>4,874</u>	<u>400</u>
	Analysis of loans		
	Wholly repayable within five years	300	400
		<u>300</u>	<u>400</u>
	Net obligations under hire purchase contracts		
	Repayable within one year	3,661	-
	Repayable between one and five years	4,574	-
		<u>8,235</u>	<u>-</u>
	Included in liabilities falling due within one year	(3,661)	-
		<u>4,574</u>	<u>-</u>

9 Provisions for liabilities and charges

The deferred tax asset (included in debtors, note 6) is made up as follows

	2007 £	2006 £
Balance at 1 February 2006	(50,790)	
Profit and loss account	40,066	
	<u>(10,724)</u>	
	2007 £	2006 £
Decelerated capital allowances	(3,314)	127
Tax losses available	(7,410)	(50,917)
	<u>(10,724)</u>	<u>(50,790)</u>

SPORTS TRADERS ALLIANCE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2007

10 Pension costs

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 fund.

Defined contribution

	2007 £	2006 £
Contributions payable by the company for the year	1,500	-

11 Share capital

	2007 £	2006 £
Authorised		
101,500 Ordinary shares of £1 each	101,500	101,500
500 Preference shares of £1 each	500	500
	<u>102,000</u>	<u>102,000</u>
 Allotted, called up and fully paid		
101,500 Ordinary shares of £1 each	<u>101,500</u>	<u>101,500</u>

A fixed cumulative preferential dividend of 4% over base rate per annum is payable on the preference shares.

The preference shares are redeemable, to be redeemed at £500 per share on the following dates:

100 on 31 March 2007

100 on 30 September 2007

During the year £100 preference shares were redeemed according to the agreed schedule.

There are no voting rights attached to preference shares. On a return of capital on liquidation or otherwise, preference share holders are entitled to the priority payment of the redemption value of the shares and any unpaid dividends.

SPORTS TRADERS ALLIANCE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2007

12 Statement of movements on reserves

	Other reserves (see below) £	Profit and loss account £
Balance at 1 February 2006	100	(2,892)
Profit for the year	-	87,569
Purchase of own shares	-	(50,000)
Movement during the year	100	-
	<hr/>	<hr/>
Balance at 31 January 2007	200	34,677
	<hr/>	<hr/>
Other reserves		
Capital redemption reserve		
Balance at 1 February 2006	100	
Capital redemption reserve movement	100	
	<hr/>	
Balance at 31 January 2007	200	
	<hr/>	

13 Contingent liabilities

There is a cross guarantee dated 16 July 2003 between the holding company, Draw Holdings Limited, and Sports Traders Alliance Group Limited

14 Financial commitments

At 31 January 2007 the company had annual commitments under non-cancellable operating leases as follows

	2007 £	2006 £
Expiry date		
Within one year	-	24,250
Between two and five years	3,232	3,232
In over five years	26,560	-
	<hr/>	<hr/>
	29,792	27,482
	<hr/>	<hr/>

SPORTS TRADERS ALLIANCE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2007

15 Transactions with directors

The following directors had interest free loans during the year. The movement on these loans are as follows

	Amount outstanding		Maximum
	2007	2006	in year
	£	£	£
W Robertson	4,035	-	4,035

16 Control

The controlling party is W Robertson by virtue of his shareholding in the parent company, Draw Holdings Ltd