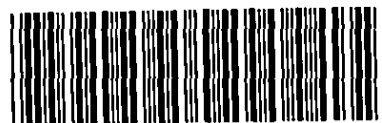


Company Registration No. 02739957 (England and Wales)

SDI (BERWICK) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 24 APRIL 2016

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COMPANIES HOUSE

SDI (BERWICK) LIMITED

COMPANY INFORMATION

Directors

R I L Stockton
A A Adegoke

(Appointed 14 October 2016)
(Appointed 14 October 2016)

Secretary

C J Olsen

Company number

02739957

Registered office

Unit A
Brook Park East
Shirebrook
NG20 8RY

SDI (BERWICK) LIMITED

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SDI (BERWICK) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 24 APRIL 2016

The directors present their annual report and financial statements for the year ended 24 April 2016.

Principal activities

The principal activity of the company continued to be that of property investment.

Results and dividends

The results for the year are set out on page 2.

Directors

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

D M Forsey	(Resigned 14 October 2016)
M J W Ashley	(Resigned 11 February 2016)
K Byers	(Resigned 14 October 2016)
S M Nevitt	(Resigned 14 October 2016)
R I L Stockton	(Appointed 14 October 2016)
A A Adegoke	(Appointed 14 October 2016)

Statement of directors' responsibilities


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 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 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;
- 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 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.

On behalf of the board



R I L Stockton
Director

SDI (BERWICK) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 24 APRIL 2016

	Notes	2016 £	2015 £
Turnover		81,309	81,312
Administrative expenses		(91,909)	(33,344)
		<hr/>	<hr/>
Operating (loss)/profit	3	(10,600)	47,968
Tax on (loss)/profit	4	-	-
		<hr/>	<hr/>
(Loss)/profit and total comprehensive income for the financial year		(10,600)	47,968
		<hr/> <hr/>	<hr/> <hr/>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

SDI (BERWICK) LIMITED

BALANCE SHEET

AS AT 24 APRIL 2016

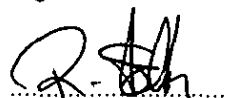
	Notes	2016 £	2015 £
Fixed assets			
Investment property	5	1,814,736	1,902,430
Total assets less current liabilities		1,814,736	1,902,430
Creditors: amounts falling due after more than one year			
Creditors	6	1,516,614	1,593,708
Net assets		298,122	308,722
Capital and reserves			
Called up share capital	7	2	2
Profit and loss account		298,120	308,720
Total equity		298,122	308,722

For the financial period ended 24 April 2016 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Board of directors and authorised for issue on
Signed on its behalf by:



R I L Stockton
Director

Company Registration No. 02739957

SDI (BERWICK) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 24 APRIL 2016

	Notes	Share capital £	Retained earnings £	Total £
Balance at 28 April 2014		2	260,752	260,754
Period ended 26 April 2015:				
Profit and total comprehensive income for the period		-	47,968	47,968
Balance at 26 April 2015		2	308,720	308,722
Year ended 24 April 2016:				
Loss and total comprehensive income for the year		-	(10,600)	(10,600)
Balance at 24 April 2016		2	298,120	298,122

SDI (BERWICK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 24 APRIL 2016

1 Accounting policies

Company information

SDI (Berwick) Limited is a company limited by shares incorporated in England and Wales. The registered office is Unit A, Brook Park East, Shirebrook, NG20 8RY.

1.1 Accounting convention

SDI (Berwick) Limited ("the company") is a limited company incorporated and domiciled in England. The financial statements are prepared in Sterling.

The financial statements are prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) modified to include the revaluation of freehold land and buildings.

The company meets the definition of a qualifying entity under FRS 101 and has transitioned to FRS 101 from previously extant UK Generally Accepted Accounting Practice (UK GAAP) for all periods presented.

The company transitioned to FRS 101 from UK GAAP at 28 April 2014. The estimates at 28 April 2014 and 26 April 2015 are consistent with those made for the same dates in accordance with UK GAAP.

The transition is not considered to have a material effect on the financial statements and no adjustments were necessary to restate the financial statements previously presented under UK GAAP, including the balance sheet as at 28 April 2014 and the financial statements for the period ended 26 April 2015.

As permitted by FRS 101 the company has taken advantage of the disclosure exemptions available under that standard in relation to presenting comparative information in respect of tangible assets, financial instruments, capital management, presentation of a cash flow statement, standards not yet effective and related party transactions with other wholly-owned members of the group. Where required, equivalent disclosures are given in the group accounts of Sports Direct International plc. The group accounts of Sports Direct International plc are available to the public and can be obtained as set out in note 14.

1.2 Turnover

Turnover represents amounts receivable for rents and charges, net of VAT. Rental income arising from operating leases on investment properties is recognised on a straight line basis over the term of the lease.

1.3 Investment properties

In accordance with the option offered by IAS 40, investment properties are accounted for at cost less depreciation and any impairment.

Cost includes expenditure that is directly attributable to the acquisition or construction of the asset. Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the company and the costs can be measured reliably.

All other costs, including repairs and maintenance costs, are charged to the profit and loss account in the period in which they are incurred.

SDI (BERWICK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 24 APRIL 2016

1 Accounting policies

(Continued)

1.4 Financial assets

Trade and other debtors

Other debtors are recognised and carried at lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost.

1.5 Financial liabilities

Other financial liabilities

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is recognised on all temporary differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

1.8 Leases

Leases of property, plant and equipment where the company does not have substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the lease term. Incentives provided by the lessor are credited to the income statement on a straight line basis over the lease term.

SDI (BERWICK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 24 APRIL 2016**

2 Critical accounting estimates and judgements

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.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Depreciation

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Residual value and useful life assessments consider issues such as future market conditions, the remaining life of the asset and maintenance programmes.

Impairment

Management assesses the impairment of property, plant and equipment subject to depreciation whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors considered important that may trigger an impairment review include the following: significant underperformance relative to historical or projected future operating results; changes in the manner of the use of the acquired assets or the strategy for the overall business; and significant negative industry or economic trends, taking into account market knowledge, professional judgement and historical transactional comparables.

Assumptions relating to tax

Management estimation is 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 together with an assessment of the effect of future tax planning strategies.

SDI (BERWICK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 24 APRIL 2016

3 Operating (loss)/profit

	2016 £	2015 £
Operating (loss)/profit for the year is stated after charging/(crediting):		
Depreciation of investment property	87,694	29,128
	<u> </u>	<u> </u>

4 Income tax expense

	Continuing operations	
	2016 £	2015 £
Current tax		
Current year taxation	-	-
	<u> </u>	<u> </u>

The charge for the year can be reconciled to the (loss)/profit per the profit and loss account as follows:

	2016 £	2015 £
(Loss)/profit before taxation	(10,600)	47,968
	<u> </u>	<u> </u>
Expected tax charge based on a corporation tax rate of 20.00%	(2,120)	10,073
Group relief	(23,002)	(24,557)
Depreciation on assets not qualifying for tax allowances	17,539	6,117
Notional transfer pricing adjustment	7,583	8,367
	<u> </u>	<u> </u>
Tax charge for the year	-	-
	<u> </u>	<u> </u>

SDI (BERWICK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 24 APRIL 2016

5 Investment property

£

Cost

At 26 April 2015

2,106,319

At 24 April 2016

2,106,319

Accumulated depreciation

At 26 April 2015

203,889

Charge for the year

87,694

At 24 April 2016

291,583

Carrying value

At 24 April 2016

1,814,736

At 26 April 2015

1,902,430

6 Creditors

Due after one year

2016

2015

£

£

Amounts due to fellow group undertakings

1,516,614

1,593,708

7 Share capital

2016

2015

£

£

Ordinary share capital

Authorised

100 Ordinary shares of £1 each

100

100

Issued and fully paid

2 Ordinary shares of £1 each

2

2

8 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. The immediate parent company is SDI Property Limited.

Sports Direct International plc is the smallest company and MASH Holdings Limited is the largest company to consolidate these accounts. Sports Direct International plc is a company registered in England and Wales. A copy of the group accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.