

Company Registration No. 02739957 (England and Wales)

SDI (BERWICK) LIMITED
DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2017

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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 PERIOD ENDED 30 APRIL 2017

The directors present their Directors' report and financial statements for the period ended 30 April 2017.

Principal activities

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

Results and dividends

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

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

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

D M Forsey	(Resigned 14 October 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 Directors' report and the financial statements in accordance with applicable law and regulations.

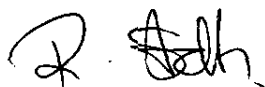
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 a 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.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemptions provided by section 415A of the Companies Act 2006.

On behalf of the board



R I L Stockton

Director

22 January 2018

SDI (BERWICK) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 30 APRIL 2017

		Period ended 30 April 2017 £	Period ended 24 April 2016 £
	Notes		
Turnover	3	137,219	81,309
Administrative expenses		(165,315)	(91,909)
Operating loss	4	(28,096)	(10,600)
Tax on loss	5	(18,977)	-
Loss for the period		(47,073)	(10,600)

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

There were no recognised gains or losses for the current period other than those shown above, and therefore no separate statement of comprehensive income has been presented.

The notes on pages 6 - 11 form part of these financial statements.

SDI (BERWICK) LIMITED

BALANCE SHEET

AS AT 30 APRIL 2017

	Notes	30 April 2017 £	24 April 2016 £
Fixed assets			
Investment property	6	1,656,432	1,814,736
Current assets			
Debtors	7	702,413	-
Creditors: amounts falling due within one year			
Creditors	8	2,088,819	-
Taxation		18,977	-
		2,107,796	-
Net current liabilities		(1,405,383)	-
Total assets less current liabilities		251,049	1,814,736
Creditors: amounts falling due after more than one year			
Creditors	8	-	1,516,614
Net assets		251,049	298,122
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account		251,047	298,120
Total equity		251,049	298,122

For the financial period ended 30 April 2017 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 notes on pages 6 - 11 form part of these financial statements.

SDI (BERWICK) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 APRIL 2017

The financial statements were approved by the Board of directors and authorised for issue on 22 January 2018 and are signed on its behalf by:



R I L Stockton
Director

Company Registration No. 02739957

SDI (BERWICK) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 APRIL 2017

	Share capital £	Retained earnings £	Total £
Balance at 27 April 2015	2	308,720	308,722
	<hr/>	<hr/>	<hr/>
Period ended 24 April 2016:			
Loss for the period	-	(10,600)	(10,600)
	<hr/>	<hr/>	<hr/>
Balance at 24 April 2016	2	298,120	298,122
	<hr/>	<hr/>	<hr/>
Period ended 30 April 2017:			
Loss for the period	-	(47,073)	(47,073)
	<hr/>	<hr/>	<hr/>
Balance at 30 April 2017	2	251,047	251,049
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

SDI (BERWICK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies

Company information

SDI (Berwick) Limited is a private 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

The financial statements have been prepared under the historical cost convention, in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101), and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £. These financial statements cover the 53 weeks ended 30 April 2017 (2016: 52 weeks ended 24 April 2016).

As permitted by FRS 101 the company has taken advantage of that 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 10.

The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 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.

1.4 Investment properties

Investment property is property held to earn rentals or for capital appreciation or both. 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.

Depreciation is provided on investment property, other than freehold land and is calculated on a straight line basis to allocate cost less assessed residual value, other than assets in the course of construction, over the estimated useful lives, as follows:

Investment property	25 years straight line
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SDI (BERWICK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.5 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The company is exempt under FRS 101 from the disclosure requirements of IFRS 13. There was no impact on the company from the adoption of IFRS 13.

1.6 Financial assets

Trade and other debtors

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

1.7 Financial liabilities

Trade and other creditors

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

1.8 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 liabilities are generally recognised for all timing differences and deferred tax assets are 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 at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised.

SDI (BERWICK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE PERIOD ENDED 30 APRIL 2017**

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, amortisation and residual values

The directors have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives and residual values are appropriate.

The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and anticipated disposal values.

Impairment of non-current assets

The directors assess the impairment of tangible assets subject to amortisation or depreciation whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors considered important that could trigger an impairment review include the following:

- Significant underperformance relative to historical or projected future operating results;
- Significant changes in the manner of the use of the acquired assets or strategy for the overall business; and
- Significant negative industry or economic trends.

Taxation

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

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.

SDI (BERWICK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2017

3 Turnover

An analysis of the company's turnover is as follows:

	2017 £	2016 £
Turnover analysed by class of business		
Rental income	137,219	81,309

4 Operating loss

	2017 £	2016 £
Operating loss for the period is stated after charging/(crediting):		
Depreciation of investment property	158,304	87,694

5 Income tax expense

	2017 £	2016 £
Current tax		
UK corporation tax on profits for the current period	18,977	-

The charge for the period can be reconciled to the loss per the profit and loss account as follows:

	2017 £	2016 £
Loss before taxation	(28,096)	(10,600)
Expected tax credit based on a corporation tax rate of 20.00%	(5,619)	(2,120)
Group relief	-	(23,002)
Depreciation on assets not qualifying for tax allowances	31,661	17,539
UK transfer pricing adjustment for notional interest	(7,065)	7,583
Taxation charge for the period	18,977	-

SDI (BERWICK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2017

6 Investment property

£

Cost

At 24 April 2016 2,106,319

At 30 April 2017 2,106,319

Accumulated depreciation

At 24 April 2016 291,583

Charge for the period 158,304

At 30 April 2017 449,887

Carrying value

At 30 April 2017 1,656,432

At 24 April 2016 1,814,736

The fair value of the investment property as at 30 April 2017 was estimated by management as being materially in line with the carrying value.

7 Debtors

2017 2016
£ £

Amounts due from fellow group undertakings 702,413 -

8 Creditors

Due within Due after one
one year year
2017 2016
£ £

Amounts due to fellow group undertakings 2,088,819 1,516,614

9 Share capital

2017 2016
£ £

Ordinary share capital

Issued and fully paid

2 Ordinary shares of £1 each 2 2

SDI (BERWICK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

10 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 group and MASH Holdings Limited is the largest group for which consolidated accounts are prepared. Both MASH Holdings Limited and Sports Direct International 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.