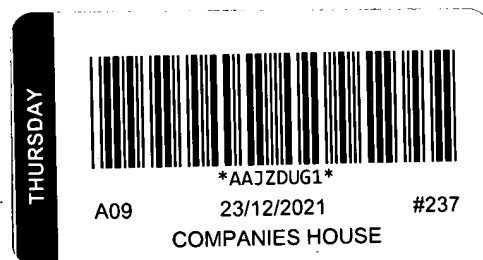


Sportstock Limited

Annual report and financial statements for the year ended 31 December 2020

Registered number: 03883733



Sportstock Limited

Registered number 03883733

Annual report and financial statements for the year ended 31 December 2020

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Sportstock Limited

Registered number 03883733

Directors and Advisors

Directors

Eric Mazillier
Alberto Bottan

Company secretary

Clément Salmon (resigned: 27th August 2020)
Peter Bednarski (appointed: 27th August 2020)

Registered office

Head Office (Decathlon)
9 Maritime Street
London
United Kingdom
SE16 7FU

Independent auditor

Mazars LLP
Tower Bridge House
St Katharine's Way
London
E1W 1DD

Sportstock Limited

Registered number 03883733

Strategic Report for the year ended 31 December 2020

Introduction

The directors present their Strategic Report for Sportstock Limited for the year ended 31 December 2020.

Company structure

Sportstock is part of a wider group, controlled by Decathlon SE. Decathlon SE is a 100% shareholder-owned company present in 51 countries, with an annual turnover of €11.4 billion in 2020. A large retailer of sporting goods with over 1500 stores worldwide, the company was founded in 1976, with the first UK store opening in 1999. In Decathlon, we follow one philosophy: "sustainably make the pleasure and benefits of sport accessible to the many". We love doing sport, we love interacting with people, we love innovating.

Within the UK, Sportstock is the Real Estate arm (the purchase, sale and letting of properties), while its sister company, Decathlon UK deals with the retail and operational side (combining our stores, warehouse and Head Office).

Business review

Revenue in the year decreased by 3.3% (2019: +5.8%).

The company has made an overall profit for the year of £1,082,500 (2019: loss of £1,777,504).

The company is in a strong balance sheet position with total assets exceeding total liabilities by £23,545,084 (2019: £22,462,805).

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Principal Risks and Uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. Risks are formally reviewed by the Board and appropriate processes are put in place to monitor and mitigate them. The key business risks affecting the company are set out below:

Failure of tenant

If the company's tenants became unable to fulfil their contractual rental obligations, the company's source of income would be at risk. However, this risk is very small due to the size of the group to which the tenants belong, and due to the tenants and the landlord being in the same group. The risk is also mitigated by the company's strategy to acquire prime real estate which could easily be re-let.

Fall in asset values

Depreciation of market values could result in impairment of the assets in the financial statements and negative equity should the assets be realised before they recover in value. However, the land and buildings held by the company are freehold, in line with the long term strategy of the company.

Covid-19

In early 2020, the existence of COVID-19 was confirmed which has since spread across a significant number of countries leading to disruption to economic activity and global markets. Although we were aware of this during 2020, the government enforced a second country wide lockdown in December 2020, which continued through early 2021. There have been no material adverse impacts to the company up to the date of approval of the accounts. Given the inherent uncertainties, it is not practical at this time to determine what impact COVID-19 will have on the company or provide a quantitative estimate of any future impact.

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

Alberto Bottan

Date:

Alberto Bottan

13.12.2021 | 9:50 AM PST

Sportstock Limited

Registered number 03883733

Directors' Report for the year ended 31 December 2020

The directors present their annual report and the audited financial statements of Sportstock Limited for the year ended 31 December 2020.

Matters covered in the Strategic Report

As permitted by paragraph 1A of Schedule 7 to the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008, certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report on page 2. These matters relate to the review and analysis of the business, development and financial performance, future prospects and principal risks and uncertainties.

Principal Activities

The company's principal activity is the buying, selling and letting of properties within the UK.

Dividends

The directors made no dividend payments in 2020 (2019: nil).

Directors

The directors who served during the year and up to the date of signing the financial statements were as follows:

Eric Mazillier (appointed: 30th August 2019)

Alberto Bottan (appointed: 7th January 2019)

Future outlook

The company's tenant continues to face tough market conditions but the directors remain confident that there are no material concerns of the tenants failing to pay and the company continues to seek suitable opportunities where it can further expand its portfolio.

Employees

There were no employees in the year (2019: none).

Brexit

On June 23 2016, the United Kingdom (UK) held a referendum in which voters approved an exit from the European Union (EU), commonly referred to as "Brexit." On December 24 2020, the UK Government and the European Commission reached a deal on the future trading relationship from January 1st 2021. The Brexit deal will impact several areas for Decathlon UK, including requirement of export and import documents (custom clearance) for all exchange of goods. Custom declaration and duties are postponed for a 6 months period and custom duties depend on the country of origin and preferred tariffs.

Employees will need to meet specific requirements in order to work or study in the UK, however, they can continue to visit the UK for up to 6 months without applying for a visa. To be able to work in the UK, application of a skilled worker VISA is required respecting specific conditions, level of English proficiency (min. B1) and relevant minimum salary threshold of £26,500, amongst others.

The impact of this deal on supply and finance have been taken into consideration in the country's trajectory and necessary action plans have been launched which will guarantee a sustainable business model.

Directors' view on the impact of COVID-19

Internal assessments of the impact of COVID-19 on the company are continuous and ongoing. The assessments are based on forecasts covering a period of at least 12 months from the date of the signing of the financial statements. These forecasts show the business has support from the Decathlon group to settle its liabilities as they fall due. The directors do not currently believe it presents any imminent threat to the provision of the company's activities.

Events after the reporting period

There were no significant events after the reporting period.

Sportstock Limited

Registered number 03883733

Directors' Report for the year ended 31 December 2020 (continued)

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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law including Finance Reporting Standard 101 'Reduced Disclosure Framework'). 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.

Disclosure of information to auditor

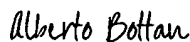
So far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Going Concern

The company is part of Decathlon SE Group which is financially strong to confront the unprecedented COVID-19 crisis. In addition, the company has access to considerable financial resources through the Decathlon SE group. As a consequence, the directors believe that the company is well placed to manage its business successfully. After enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts. The company's planned future investment is a mark of Decathlon's commitment to the UK, which is seen by the group as strategically important to its future growth.

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

Alberto Bottan



Date:

13.12.2021 | 9:50 AM PST

Sportstock Limited

Registered number 03883733

Independent Auditor's Report to the Members of Sportstock Limited

Opinion

We have audited the financial statements of Sportstock Limited (the 'company') for the year ended 31 December 2020 which comprise the statement of comprehensive income, statement of changes in equity, statement of financial position and notes to the financial statements, 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 FRS 101 "Reduced Disclosure Framework" (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 31 December 2020 and of its profit for the year 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 UK, including the FRC'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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

Sportstock Limited

Registered number 03883733

Independent Auditor's Report to the Members of Sportstock Limited (continued)

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 course of 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.

Opinions 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 year 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 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 5, 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.

Sportstock Limited

Registered number 03883733

Independent Auditor's Report to the Members of Sportstock Limited (continued)

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 the financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the directors and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

Sportstock Limited

Registered number 03883733

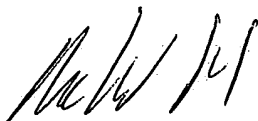
Independent Auditor's Report to the Members of Sportstock Limited (continued)

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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.

Use of the audit 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.



Richard Karmel (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Address *Tower Bridge House, St Katharine's Way London E1W 1DD*

Date

14 December 2021

Sportstock Limited

Registered number 03883733

Statement of Comprehensive Income for the year ended 31 December 2020

		2020	2019
	Note	£'000	£'000
Turnover	3	2,872	2,970
Cost of sales		(994)	(953)
Gross profit		1,878	2,017
Administrative expenses		(536)	(3,526)
Operating profit/(loss)	4	1,342	(1,509)
Net interest payable and similar charges	6	(259)	(269)
Profit/(loss) on ordinary activities before taxation		1,083	(1,778)
Tax charge on profit/(loss) on ordinary activities	7	-	-
Total comprehensive profit/(loss) for the financial year after taxation		1,083	(1,778)

The statement of comprehensive income has been prepared on the basis that all operations are continuing

The notes on pages 12 - 21 form part of these financial statements.

Sportstock Limited

Registered number 03883733

Statement of Changes in Equity for the year ended 31 December 2020

	Share capital	Share premium account	Retained earnings	Total
	£'000	£'000	£'000	£'000
As at 1 January 2019	20,789	2,270	4,553	27,612
Loss for the year	-	-	(1,778)	(1,778)
Prior year group relief	-	-	(3,372)	(3,372)
As at 31 December 2019	20,789	2,270	(597)	22,462
Profit for the year	-	-	1,083	1,083
As at 31 December 2020	20,789	2,270	486	23,545

The notes on pages 12 - 21 form part of these financial statements.

Sportstock Limited

Registered number 03883733

Statement of Financial Position for the year ended 31 December 2020

		2020	2019
	Note	£'000	£'000
Fixed assets			
Investment properties	8	44,275	44,749
		44,275	44,749
Current assets			
Debtors	9	523	596
Cash at bank and in hand		22	21
		545	617
Creditors: amounts falling due within one year	10	(371)	(645)
Net current assets		174	(28)
Total assets less current liabilities		44,449	44,721
Creditors: amounts falling due after more than one year		(20,904)	(22,259)
Net assets		23,545	22,462
Capital and reserves			
Called up share capital	12	20,789	20,789
Reserves		-	-
Share premium account		2,270	2,270
Profit and loss account		486	(597)
Total shareholders' funds		23,545	22,462

The notes on pages 12 - 21 form part of these financial statements.

The financial statements were approved by the board of directors and were signed on its behalf by:

Alberto Bottan
Director

Alberto Bottan

Date:

13.12.2021 | 9:50 AM PST

Sportstock Limited

Registered number 03883733

Notes to the financial statements for the year ended 31 December 2020

1 General Information

Sportstock Limited is a company incorporated in the United Kingdom under the Companies Act. The nature of the company's operations and its principal activities are set out in the Strategic Report on page 2. The address of the company's registered office is set out on page 1.

The company is a wholly-owned subsidiary of Weddell SA, a company incorporated in France, and ultimately controlled by Decathlon SE, which is also the ultimate parent company.

The group accounts of Decathlon SE have been filed at the registry of the commercial court of Lille Metropole and are available to the public on www.inforegreffe.fr or www.societe.com.

2 Accounting policies

2.1 Basis of accounting

The financial statements of Sportstock Limited have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and with the specific relevant provision of the Companies Act 2006. The recognition, measurement and disclosure requirements (except for certain disclosure exemptions detailed below) of International Financial Reporting Standards as adopted by the EU (EU-adopted IFRSs) have been applied to these financial statements and, where necessary, amendments have been made in order to comply with the Companies Act 2006 and The Large and Medium-sized Companies and Groups Regulations 2008/410 ('Regulations').

The company's financial statements are presented in Sterling, which is the company's functional currency, and all values are rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

The financial statements have been prepared on the historical cost basis. The principal accounting policies set out below have been consistently applied to all periods presented.

Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Management have included in their assessment the impacts of COVID-19 on future operation existence and have analysed future performance through forecasts completed at least 12 months from signing date. Thus they have continued to adopt the going concern basis of accounting in preparing the financial statements.

Sportstock Limited**Registered number 03883733****Notes to the financial statements for the year ended 31 December 2020 (continued)****Disclosure exemptions applied**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS101 paragraph 8:

- (i) The requirement of IFRS 7 'Financial Instrument : Disclosures' relating to the disclosure of financial instruments and the nature and extent of risks arising from such instruments;
- (ii) The requirement of IFRS 13 'Fair Value Measurement' paragraphs 91 to 99 relating to the fair value measurement disclosures of financial assets and financial liabilities that are measured at fair value, such as the available for sale investments and derivative financial instruments;
- (iii) The applicable requirements of IAS 36 'Impairment of Assets' relating to the disclosures of estimates used to measure recoverable amounts;
- (iv) The applicable requirements of IAS 1 'Presentation of Financial Statements' relating to the disclosure of comparative information in respect of the number of shares outstanding at the beginning and end of the year (IAS 1.79a, iv), the reconciliation of the carrying amount of property, plant and equipment (IAS 16.73e) and the reconciliation of the carrying amount of intangible assets (IAS 18.118e).
- (v) The requirement of IAS 1 'Presentation of Financial Statements' paragraphs 134 to 136 relating to the disclosure of capital management policies and objectives;
- (vi) The requirements of IAS 7 'Statement of Cash Flows' and IAS 1 'Presentation of Financial Statements' paragraph 10(d), 111 relating to the presentation of a Cash Flow Statement;
- (vii) The requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' paragraphs 30 and 31 relating to the disclosure of standards, amendments and interpretations in issue but not yet effective; and
- (viii) The requirements of IAS 24 'Related Party Disclosures' paragraph 17 relating to the disclosure of key management personnel compensation and relating to the disclosure of related party transactions entered into between the company and other wholly-owned subsidiaries of the group.

For the disclosure exemptions listed in points i to iii, the equivalent disclosures are included in the consolidated financial statements of Decathlon SE, which the company is consolidated into.

2.2 Judgements and key sources of estimation and uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Disclosure of Leases

Management considers the likelihood of exercising break clauses or extension options in determining the lease term.

Sportstock Limited**Registered number 03883733****Notes to the financial statements for the year ended 31 December 2020 (continued)****2.3 Significant Accounting policies****Turnover**

Turnover represents rental income excluding value added tax and is recognised on an accruals basis. The origin and destination of turnover is the same and is wholly in the United Kingdom.

Investment properties and depreciation

Sportstock Limited implemented IFRS 16 'Leases' for the accounting year-ended 31 December 2019 and have applied IFRS 16 in these financial statements for the twelve-month period ended 31 December 2020.

Investment properties are accounted for under IAS 40 cost model' and then the properties are leased and accounted for as operating leases under IFRS 16. Rentals receivable under operating leases are credited to the Statement of Comprehensive Income account on a straight line basis over the period of the lease. Assets held for leasing are held as investment properties and depreciated over their useful economic life.

Investment properties are stated at historic purchase cost less accumulated depreciation, following the cost model. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided on all investment properties at rates calculated to write off the cost less estimated residual value, of each asset in equal annual instalments over its expected useful life, as follows:

Freehold buildings	-	20 years
Improvements to buildings	-	15-20 years

Assets in the course of construction are not depreciated. On completion the assets are transferred into the relevant category and depreciated accordingly.

Land is not depreciated.

Impairment

Investment properties that are subject to depreciation are assessed at each reporting date to determine whether there is any indication that the investment property is impaired. Where there is any indication that an investment property may be impaired, the carrying value of the investment property is tested for impairment. An impairment loss is recognised for the amount by which the investment property's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an investment property's fair value less costs to sell and value in use.

Sportstock Limited

Registered number 03883733

Notes to the financial statements for the year ended 31 December 2020 (continued)

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 income statement 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 balance sheet date.

Deferred taxation

Deferred taxation arises when items are recognised for tax purposes in periods that differ from the periods in which they are recognised for accounting purposes. Deferred taxation is recognised as a liability or asset if transactions have occurred at the Statement of Financial Position date that give rise to an obligation to pay more taxation in future, or a right to pay less taxation in the future.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date.

A net deferred tax asset is recognised as recoverable and therefore only recognised when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted. Deferred tax assets and liabilities are not discounted.

Cash flow statement

The company is a wholly owned subsidiary of Decathlon SE whose financial statements are publicly available in the EU. Consequently, the company is exempt under the terms of FRS 101 Reduced Disclosure Framework from publishing a cash flow statement.

Related party transactions

The company is a wholly owned subsidiary of Decathlon SE (See Note 14 for further detail) and is exempt under the terms of FRS 101 Reduced Disclosure Framework from disclosing related party transactions with entities that are part of the Decathlon SE group, the financial statements of which are publicly available.

3 Turnover

Turnover consists entirely of rental income earned in the United Kingdom from our investment properties.

Sportstock Limited

Registered number 03883733

Notes to the financial statements for the year ended 31 December 2020 (continued)**4 Operating profit/(loss)**

	2020	2019
	£'000	£'000
Operating profit/(loss) is stated after charging:		
Depreciation of tangible owned fixed assets	995	952
Impairment of fixed assets	-	3,005
Loss on disposal	-	204
Auditor's remuneration - Audit	6	6
Auditor's remuneration - Non-audit services	-	9

5 Directors and employees

The directors did not receive any emoluments in respect of their services to the company (2019: £nil).

The company has no employees (2019: none).

6 Net interest payable and similar charges

	2020	2019
	£'000	£'000
Interest payable and similar charges		
Interest payable to group undertakings	259	269

Sportstock Limited

Registered number 03883733

**Notes to the financial statements for the year ended 31 December 2020
(continued)****7 Tax charge on (loss)/profit on ordinary activities**

	2020	2019
	£'000	£'000
UK corporation tax on profits for the period at 19% (2019: 19%)	-	-
Group relief payable / (receivable)	-	-
Prior year adjustment	-	-
Total Current tax charge	-	-
Deferred tax (asset) not recognised	-	-
Reconciliation of tax charge		
Profit / (Loss) on ordinary activities before tax	1,083	(1,778)
Tax on profit on ordinary activities at standard corporation tax rate of 19% (2019: 19%)	206	(338)
Expenses not deductible	196	1
Ineligible depreciation	-	177
Group relief claim	(406)	-
ineligible loss on disposal	-	(2)
Deferred tax not recognised	4	(65)
Rate difference / balancing items	-	227
Tax charge for the period	-	-

The policy the company has adopted is that the company will recognise the group relief between Decathlon UK and Sportstock, but the company does not require the entity receiving the relief to make a payment

**Notes to the financial statements for the year ended 31 December 2020
(continued)****8 Investment properties**

	Freehold land & buildings	Improvement to buildings	Assets in the course of construction	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 January 2020	48,040	7,970	15	56,025
Additions	335	201	(15)	521
At 31 December 2020	48,375	8,171	-	56,546
Accumulated depreciation and impairment				
At 1 January 2020	8,226	3,050	-	11,276
Charge for the year	626	369	-	995
Impairment	-	-	-	-
At 31 December 2020	8,852	3,419	-	12,271
Net book value				
At 31 December 2020	39,523	4,752	-	44,275
At 31 December 2019	39,814	4,920	15	44,749

Investment property includes real estate properties which are owned to earn rentals and for capital appreciation. Investment properties are leased to third parties on operating leases. Rental income of £2.9 million (2019: £3 million) is shown within revenue.

Although the risks associated with rights that Sportstock Limited retains in underlying assets are not considered to be significant, Sportstock Limited employs strategies to further minimise these risks.

**Notes to the financial statements for the year ended 31 December 2020
(continued)****8 Investment properties continued****Fair value of investment properties**

Management determined the fair value of investment property to be £58.7m based on a valuation by JLL, an independent valuer, on a sale and leaseback basis who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The last fair valuation took place in March 2020 and we anticipate the next valuation to take place in March 2023.

Following the impairment assessment of Investment properties an impairment of £3,005,000 was booked in 2019.

The lease contracts are all non-cancellable for eight years from the commencement of the lease.

Future minimum lease rentals are as follows:

	Minimum lease payments due						Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	After 5 years	
31 December 2020	2,916	2,970	3,026	3,083	2,539	10,429	24,963
31 December 2019	2,839	2,916	2,970	3,026	3,083	12,968	27,802

**Notes to the financial statements for the year ended 31 December 2020
(continued)****9 Debtors**

	2020	2019
	£'000	£'000
Amounts owed by group undertakings	267	263
Other debtors	253	325
Prepayments and accrued income	3	8
	523	596

Amounts owed by group undertakings are unsecured, interest free and are repayable on demand.

10 Creditors: amounts falling due within one year

	2020	2019
	£'000	£'000
Trade creditors	1	1
Amounts owed to group undertakings	127	515
Other taxation and social security	200	87
Accruals and deferred income	43	42
	371	645

**Notes to the financial statements for the year ended 31 December 2020
(continued)****11 Creditors: amounts falling due after more than one year**

	2020	2019
	£'000	£'000
Amounts owed to group undertakings	20,904	22,259

These amounts are unsecured and interest free. The Directors consider the carrying amount of trade creditors approximates to their fair value.

As there is no expectation that the amount due to the immediate parent undertaking will be repaid in the foreseeable future, the Directors consider it appropriate to include the amount as falling due after more than one year.

12 Called up share capital

	2020	2019
	£'000	£'000
Authorised		
20,789,387 ordinary shares of £1 each	20,789	20,789
Allotted		
20,789,384 ordinary shares of £1 each	20,789	20,789

14 Ultimate controlling party

The immediate parent undertaking is Weddell SA (100%), a company incorporated in France, while the ultimate parent undertaking and controlling party is Decathlon SE, a company incorporated in France, which is the smallest and largest group to consolidate these financial statements. A copy of the ultimate parent's financial statements can be obtained by writing to:
9 Maritime Street, London SE16 7FU, United Kingdom

15 Post balance sheet event

No significant post balance sheet events.