

Company Registration No. 04087435 (England and Wales)

**BRANDS HOLDINGS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 29 APRIL 2018**

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# **BRANDS HOLDINGS LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	Mr A A Adegoke Miss R I L Stockton
<b>Secretary</b>	Mr C J Olsen
<b>Company number</b>	04087435
<b>Registered office</b>	Unit A Brook Park East Shirebrook NG20 8RY
<b>Auditor</b>	Grant Thornton UK LLP 30 Finsbury Square London EC2A 1AG
<b>Business address</b>	Unit A Brook Park East Shirebrook NG20 8RY

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# **BRANDS HOLDINGS LIMITED**

## **CONTENTS**

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	<b>Page</b>
Directors' report	1 - 2
Independent auditor's report	3 - 4
Statement of total comprehensive income	5
Statement of financial position	6
Statement of changes in equity	7
Notes to the financial statements	8 - 19

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# **BRANDS HOLDINGS LIMITED**

## **DIRECTORS' REPORT**

**FOR THE PERIOD ENDED 29 APRIL 2018**

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The directors present their annual report and financial statements for the period ended 29 April 2018.

### **Principal activities**

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

### **Directors**

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

Mr A A Adegoke  
Miss R I L Stockton

### **Results and dividends**

The results for the period are set out on page 5.

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

### **Going Concern**

At the time of approving the financial statements, the directors have a 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.

### **Qualifying third party indemnity provisions**

Sports Direct International plc has granted the directors of the company with Qualifying Third Party Indemnity provisions within the meaning given to the term by Sections 234 and 235 of the Companies Act 2006. This is in respect of liabilities to which they may become liable in their capacity as director of the company and of any company within the group. Such indemnities were in force throughout the financial year and will remain in force.

### **Financial Instruments**

#### **Liquidity risk**

The directors seek to manage the liquidity risk faced by the company via a group facility. At the statement of financial position date, the company had access to a working capital facility of £913.5 million (2017: £788 million).

### **Future developments**

The directors intend to continue to use the company as an investment holding company.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Grant Thornton UK LLP be reappointed as auditor of the company will be put at a General Meeting.

# BRANDS HOLDINGS LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 29 APRIL 2018

### 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) including Financial Reporting Standard FRS 102 'The Financial Reporting Standard' applicable in the UK and Republic of Ireland. 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

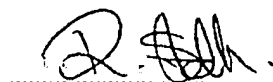
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Miss R I L Stockton

Director

Date:

9th November 2018

# **BRANDS HOLDINGS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF BRANDS HOLDINGS LIMITED**

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#### **Opinion**

We have audited the financial statements of Brands Holdings Limited (the 'company') for the period ended 29 April 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity 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 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 29 April 2018 and of its loss for the period 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.

#### **Who we are reporting to**

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.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

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

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 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.

# **BRANDS HOLDINGS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BRANDS HOLDINGS LIMITED**

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### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

### **Matter on which we are required to report under the Companies Act 2006**

In the 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 directors' report.

### **Matters on which we are required to report by exception**

In the 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 directors' report.

We have nothing to report in respect of the following matters where 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; or
- the company is not entitled to claim exemption in preparing a strategic report due to it being a member of an ineligible group.

### **Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement, 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.

### **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 these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



**Philip Westerman (Senior Statutory Auditor)  
for and on behalf of Grant Thornton UK LLP  
Chartered Accountants  
Statutory Auditor**

**London**

**Date:** 9/11/18

# BRANDS HOLDINGS LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 29 APRIL 2018

		Period ended 29 April 2018 £000's	Period ended 30 April 2017 £000's
Administrative expenses		(13,673)	(18,784)
Other operating income		20	-
Profit on disposal of investment	3	-	96,300
<b>Operating (loss)/profit</b>	<b>4</b>	<b>(13,653)</b>	<b>77,516</b>
Income from shares in group undertakings		1,667	61,458
Interest receivable from group undertakings	5	1,590	1,760
Other investment income	5	-	1
Other gains and losses	6	(5,140)	-
<b>(Loss)/profit before taxation</b>		<b>(15,536)</b>	<b>140,735</b>
Taxation	7	-	-
<b>Profit for the period</b>		<b>(15,536)</b>	<b>140,735</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>(15,536)</b>	<b>140,735</b>

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

The notes on pages 8 - 19 form part of these financial statements.



# BRANDS HOLDINGS LIMITED

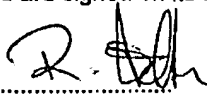
## STATEMENT OF FINANCIAL POSITION

AS AT 29 APRIL 2018

	Notes	2018 £000's	2017 £000's
<b>Non-current assets</b>			
Intangible assets	9	1,334	1,078
Investments	10	112,058	117,198
		<u>113,392</u>	<u>118,276</u>
<b>Current assets</b>			
Trade and other receivables	12	57,295	78,604
Cash and cash equivalents		1,550	227
		<u>58,845</u>	<u>78,831</u>
<b>Current liabilities</b>	13	(45,592)	(54,926)
<b>Net current assets</b>		<u>13,253</u>	<u>23,905</u>
<b>Total assets less current liabilities</b>		<u>126,645</u>	<u>142,181</u>
<b>Equity</b>			
Called up share capital	14	-	-
Retained earnings		126,645	142,181
<b>Total equity</b>		<u>126,645</u>	<u>142,181</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 9<sup>th</sup> November 2018 and are signed on its behalf by:

  
 Miss R I L Stockton  
 Director

Company Registration No. 04087435

The notes on pages 8 - 19 form part of these financial statements.

# **BRANDS HOLDINGS LIMITED**

## **STATEMENT OF CHANGES IN EQUITY**

**FOR THE PERIOD ENDED 29 APRIL 2018**

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	<b>Share capital £000's</b>	<b>Retained earnings £000's</b>	<b>Total £000's</b>
<b>Balance at 25 April 2016</b>	-	1,446	1,446
<b>Period ended 30 April 2017:</b>			
Profit and total comprehensive income for the period	-	140,735	140,735
	<hr/>	<hr/>	<hr/>
<b>Balance at 30 April 2017</b>	-	142,181	142,181
<b>Period ended 29 April 2018:</b>			
Loss and total comprehensive income for the period	-	(15,536)	(15,536)
	<hr/>	<hr/>	<hr/>
<b>Balance at 29 April 2018</b>	-	126,645	126,645
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# BRANDS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 29 APRIL 2018

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### 1 Accounting policies

#### Company information

Brands Holdings Limited is a private company limited by shares incorporated in England and Wales. The company is registered in England. The registered office is Unit A, Brook Park East, Shirebrook, NG20 8RY.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") 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 £000's.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

As permitted by FRS 102 the company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, presentation of a cash flow statement, 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 17.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a 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 Reporting period

The financial statements are for a period of 52 weeks ended 29 April 2018 (2017: 53 weeks ended 30 April 2017).

#### 1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost or value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Trademarks	5-6 years straight line
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#### 1.5 Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

# BRANDS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 APRIL 2018

### 1 Accounting policies

(Continued)

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### 1.6 Impairment of non-current assets

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.7 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.

#### 1.8 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the statement of comprehensive income for the period.

# **BRANDS HOLDINGS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE PERIOD ENDED 29 APRIL 2018**

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### **1 Accounting policies**

**(Continued)**

#### **1.9 Group accounts**

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirements to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Sports Direct International plc, a company incorporated in England and Wales and is included in the consolidated accounts of that company.

### **2 Judgements and key sources of estimation uncertainty**

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **Critical judgements**

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

#### ***Recoverability of intercompany balances and investments***

Management periodically assess the future performance of entities with which Brands Holdings Limited has a debtor balance, or holds an investment in to ascertain the recoverability of these assets. Judgement is involved in the assessment of future performance.

# BRANDS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 APRIL 2018

### 2 Judgements and key sources of estimation uncertainty

(Continued)

#### Key sources of estimation uncertainty

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

#### Impairment of intangible assets

The calculation for considering the impairment of the carrying amount of intangible assets, specifically brands, trade marks and licences, requires a comparison of the present value of the related cash flows to the value of the other intangible assets in the statement of financial position.

The calculation of present value requires an estimation of the future cash flows expected to arise from the other intangible assets and the selection of a suitable discount rate. Impairment is calculated by comparing the carrying amounts to the value in use derived from discounted cash flow projections for each CGU to which the intangible assets are allocated. Value in use calculations are based on five year management forecasts with a terminal growth rate applied thereafter, representing management's estimate of the long-term growth rate of the sector served by the CGUs.

#### Useful economic life of intangible assets

For intangible assets which have a finite life, the directors revisit their estimate of useful economic life at each period end and revise accordingly considering issues such as future market conditions and the remaining life of the asset.

#### 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.

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.

The company has assumed that it is entitled to substantial shareholder exemption in respect of the disposal of investments.

#### Profit on disposal of investment

The company assesses at each reporting date whether the carrying value of investments may be impaired. If any such indication exists, the company estimates the recoverable amount of the investment based on fair value less costs to sell or a value in use calculation.

### 3 Exceptional income

	2018 £000's	2017 £000's
Profit on disposal of investment	-	96,300

On 2nd April 2017 the company completed the disposal of its 100% owned investments in Dunlop Slazenger Group Holdings Limited, Dunlop Brands Limited and Dunlop International Limited for £115.6m, realising a profit on disposal of £96.3m. No corporation tax liability has arisen in respect of this transaction as the company is entitled to the Substantial Shareholder Exemption

# BRANDS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 APRIL 2018

### 4 Operating profit

	2018 £000's	2017 £000's
Operating profit for the period is stated after charging:		
Exchange losses	1,750	14,677
Fees payable to the company's auditor for the audit of the company's financial statements	29	4
Amortisation of intangible assets	623	759

No directors received remuneration through this company (2017: Nil).

### 5 Investment income

	2018 £000's	2017 £000's
<b>Interest income</b>		
Interest on bank deposits	-	1
Interest receivable from group companies	1,590	1,760
<b>Total interest revenue</b>	<b>1,590</b>	<b>1,761</b>
<b>Income from fixed asset investments</b>		
Income from shares in group undertakings	1,667	61,458
<b>Total income</b>	<b>3,257</b>	<b>63,219</b>

Disclosed on the income statement as follows:

Income from shares in group undertakings	1,667	61,458
Interest receivable from group undertakings	1,590	1,760
Other investment income	-	1

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	-	1
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The income from shares in group undertakings in the current period related to dividends from Brands Holdings Limited's wholly owned subsidiaries Brands and Fashion NV and Donnay International SA.

The income from shares in group undertakings in the prior period related to a dividend in specie from Dunlop Slazenger Group Americas Inc and dividends from Brands Holdings Limited's wholly owned subsidiaries Brands and Fashion NV and Donnay International SA.

### 6 Other gains and losses

Fixed asset investments	2018 £000's	2017 £000's
Other gains and losses	(5,140)	-

# BRANDS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 APRIL 2018

### 7 Taxation

The charge for the period can be reconciled to the profit per the statement of total comprehensive income as follows:

	2018 £000's	2017 £000's
(Loss)/profit before taxation	(15,536)	140,735
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 20.00%)	(2,952)	28,147
Tax effect of expenses that are not deductible in determining taxable profit	3,414	236
Group relief	(77)	3,168
SSE on disposal of investments	-	(19,259)
Tax effect of dividends not taxable in determining taxable profit	(317)	(12,292)
UK transfer pricing adjustment for notional interest	(68)	-
Taxation charge for the period	-	-

The company was entitled to substantial shareholder exemption in the prior period in respect of the disposal of investments (note 3).

### 8 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2018 £000's	2017 £000's
In respect of:			
Fixed asset investments	10	5,140	-
Recognised in:			
Other gains and losses		5,140	-

The impairment losses in respect of financial assets are recognised in other gains and losses in the income statement.



# BRANDS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 29 APRIL 2018

### 9 Intangible assets

	Trademarks £000's
<b>Cost</b>	
At 1 May 2017	2,928
Additions	879
At 29 April 2018	3,807
<b>Amortisation and impairment</b>	
At 1 May 2017	1,850
Amortisation charged for the period	623
At 29 April 2018	2,473
<b>Carrying amount</b>	
At 29 April 2018	1,334
At 30 April 2017	1,078

The estimated useful life of intangible assets is 5 to 6 years as this reflects the useful life of the company's brands.

### 10 Fixed asset investments

	Notes	2018 £000's	2017 £000's
Investments in subsidiaries	11	112,058	117,198

#### Movements in non-current investments

	Shares in group undertakings £000's
<b>Cost or valuation</b>	
At 1 May 2017 & 29 April 2018	117,198
<b>Impairment</b>	
At 1 May 2017	-
Impairment losses	5,140
At 29 April 2018	5,140
<b>Carrying amount</b>	
At 29 April 2018	112,058
At 30 April 2017	117,198

# BRANDS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 APRIL 2018

### 11 Subsidiaries

Name of undertaking and country of incorporation or residency		Nature of business	Class of shareholding	% Held	
				Direct	Indirect
A P Brands Holdings	Malaysia	Wholesale	Ordinary		100.00
Acre 653 Limited	England and Wales	Dormant	Ordinary		100.00
Activator Brands Limited	England and Wales	Dormant	Ordinary	100.00	
Activator Products Limited	England and Wales	Dormant	Ordinary	100.00	
Active Apparel New Corp	USA	Dormant	Ordinary		100.00
American Fitness Products Inc	USA	Dormant	Ordinary		100.00
Beauty Brands Management Limited	England and Wales	Dormant	Ordinary	100.00	
Brands 001 Limited	England and Wales	Dormant	Ordinary	100.00	
Brands Africa Limited	England and Wales	Dormant	Ordinary	100.00	
Brands and Fashion NV	Belgium	Clothing Wholesale	Ordinary	100.00	
Brands Holdings Sponsorship Limited	England and Wales	Holding Company	Ordinary	100.00	
Brands Inc Limited	England and Wales	Sports Goods Wholesale	Ordinary	100.00	
Campri Limited	England and Wales	Dormant	Ordinary	100.00	
Carlton Shuttlecocks Limited	England and Wales	Dormant	Ordinary		100.00
Carlton Sports Company Limited	England and Wales	Dormant	Ordinary		100.00
David Geoffrey and Associates (UK) Limited	England and Wales	Dormant	Ordinary		100.00
Direct Golf IP Limited	England and Wales	Dormant	Ordinary	100.00	
Donnay International SA	Belgium	Clothing Wholesale	Ordinary	100.00	
SDI Sport Group Americas Inc	USA	Wholesale	Ordinary	100.00	
Eastchance Limited	Hong Kong	Clothing Wholesale	Ordinary		100.00
European Branded Clearance Company Limited	England and Wales	Dormant	Ordinary	100.00	
Everlast Sports International Inc. Corp	USA	Wholesale	Ordinary		100.00
Everlast Sports Mfg Corp	USA	Wholesale	Ordinary		100.00
Everlast World Boxing Headquarters Corp	USA	Wholesale	Ordinary		100.00
Everlast Worldwide Acquisition Inc	USA	Dormant	Ordinary	100.00	
Everlast Worldwide Inc	USA	Sports Goods Wholesale	Ordinary		100.00
Feniger and Blackburn Limited	England and Wales	Dormant	Ordinary		100.00
Firetrap Limited	England and Wales	Fashion Wholesale	Ordinary	100.00	
Gelert IP Limited	England and Wales	Dormant	Ordinary	100.00	
Gelert Limited	England and Wales	Outdoor and Leisure Wholesale	Ordinary	100.00	
Golddigga Brands Limited	England and Wales	Dormant	Ordinary	100.00	
Goudie Squash International Limited	England and Wales	Dormant	Ordinary		100.00
Gradidges Limited	England and Wales	Dormant	Ordinary		100.00
Graduate Clothing Limited	England and Wales	Dormant	Ordinary		91.00
Gul IP Limited	England and Wales	Dormant	Ordinary	100.00	

# BRANDS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 APRIL 2018

### 11 Subsidiaries

(Continued)

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
Gul Watersports Limited	England and Wales	Outdoor and Leisure Wholesale		100.00
Hot Tuna IP Limited	England and Wales	Dormant	100.00	
Kangol Holdings Limited	England and Wales	Holding Company	100.00	
Kangol Limited	England and Wales	Licensing of Intellectual Property		100.00
Kangol Trustees Limited	England and Wales	Dormant		100.00
Karimor Limited	England and Wales	Dormant	100.00	
La Jolla (UK) Limited	England and Wales	Dormant		100.00
Litesome Sportswear Limited	England and Wales	Dormant		100.00
Lonsdale Boxing Limited	England and Wales	Dormant	100.00	
Lonsdale Sports Limited	England and Wales	Licensing of Intellectual Property	100.00	
SBDK Online (Shenzhen) Co. Ltd	China	Online Sales		100.00
Masters Holders Limited	England and Wales	Dormant		100.00
Mississippi Manufacturing LLC	USA	Dormant	100.00	
Muddyfox IP Limited	England and Wales	Dormant	100.00	
Muddyfox Limited	England and Wales	Dormant		100.00
Neveca IP Limited	England and Wales	Dormant	100.00	
No Fear Brand Limited	England and Wales	Dormant	100.00	
No Fear International Limited	England and Wales	Licensing	100.00	
No Fear USA Limited	England and Wales	Dormant	100.00	
Oldco 10 Limited	England and Wales	Dormant	100.00	
Olympus Ventures Limited	England and Wales	Dormant		100.00
Paddle Sport Limited	England and Wales	Dormant	100.00	
Propeller (U.K.) Limited	England and Wales	Dormant		100.00
Queensberry Boxing IP Limited	England and Wales	Dormant	100.00	
Queensberry Rules Limited	England and Wales	Dormant	100.00	
Republic IP Limited	England and Wales	Dormant	100.00	
S&B Brands Limited	England and Wales	Dormant	100.00	
SC (Subco 2016) Limited	England and Wales	Dormant		100.00
SC (Trustco 2016) Limited	England and Wales	Dormant		100.00
SC Sports (SG) PTE	Singapore	Dormant		100.00
SC(ESOP) Limited	England and Wales	Dormant		100.00
SDI Lifestyle Limited	England and Wales	Fashion Wholesale	100.00	
SDI Sports (SC2016) Limited	England and Wales	Dormant		100.00
Slazenger Carlton (Holdings) Limited	England and Wales	Holding Company	100.00	
Slazengers Australia Limited	England and Wales	Dormant	100.00	
Slazengers Limited	England and Wales	Dormant		100.00
Smith & Brooks (Germany) Limited	England and Wales	Dormant		100.00
Smith & Brooks (India) Limited	England and Wales	Dormant		100.00
Smith & Brooks Limited	England and Wales	Dormant		100.00
Smith and Brooks Group Limited	England and Wales	Holding Company		100.00

# BRANDS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 APRIL 2018

### 11 Subsidiaries

(Continued)

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
Smith and Brooks Holdings Limited	England and Wales	Holding Company	Ordinary	100.00
Sondico IP Limited	England and Wales	Dormant	Ordinary	100.00
Sportsdirect.com (Asia) Limited	Hong Kong	Holding Company	Ordinary	100.00
Sports Essentials Limited	England and Wales	Dormant	Ordinary	100.00
Sterling Resources (Holdings) Limited	England and Wales	Dormant	Ordinary	100.00
Sterling Resources Limited	England and Wales	Dormant	Ordinary	100.00
Straub Corporation Limited	England and Wales	Dormant	Ordinary	100.00
Summercombe 167 Limited	England and Wales	Dormant	Ordinary	100.00
Talisway Limited	Hong Kong	Dormant	Ordinary	95.50
The Antigua Group Inc	USA	Wholesale	Ordinary	100.00
The Trademark Licensing Company Limited	England and Wales	Dormant	Ordinary	100.00
Universal Cycles Limited	England and Wales	Sports and Cycling Wholesale	Ordinary	100.00
UP Brands Limited	England and Wales	Dormant	Ordinary	100.00
USA Pro IP Limited	England and Wales	Dormant	Ordinary	100.00
USC IP Limited	England and Wales	Dormant	Ordinary	100.00
Visionfigure Limited	England and Wales	Dormant	Ordinary	100.00
Voodoo Dolls Brand Limited	England and Wales	Dormant	Ordinary	100.00
Waterline Angling Products Limited	England and Wales	Outdoor and Leisure Wholesale	Ordinary	100.00
Westminster Manufacturing LLC	USA	Dormant	Ordinary	100.00
William Sykes Limited	England and Wales	Dormant	Ordinary	100.00
Worthyfund Limited	England and Wales	Dormant	Ordinary	100.00
Karrimor Inc	Japan	Sporting, Ski and Outdoor Goods	Ordinary	91.50
SDI Holdings USA Inc	USA	Holding Company	Ordinary	100.00
SDI USA LLC	USA	Holding Company	Ordinary	100.00
SDI Gift Card LLC	USA	Gift Card Management	Ordinary	100.00
Bob's Store USA LLC	USA	Holding Company	Ordinary	100.00
SDI Stores LLC	USA	Outdoor and Leisure Retail	Ordinary	100.00
Mountain Sports LLC	USA	Outdoor and Leisure Retail	Ordinary	100.00
SDI Ventures LLC	USA	Holding Company	Ordinary	100.00
Global Apparel (HK) Limited	China	Dormant	Ordinary	100.00
Puffa IP Limited	England and Wales	Licensing of Intellectual Property	Ordinary	100.00
HK Sports & Golf Aktiebolag	Sweden	Sports Clothing and Equipment	Ordinary	100.00

## BRANDS HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 29 APRIL 2018

#### 12 Trade and other receivables

	2018 £000's	2017 £000's
<b>Amounts falling due within one year:</b>		
Amounts owed by group undertakings	57,248	78,403
Other receivables	46	201
Prepayments and accrued income	1	-
	<u>57,295</u>	<u>78,604</u>

#### 13 Current liabilities

	2018 £000's	2017 £000's
Trade payables	-	123
Amounts due to group undertakings	45,036	47,747
Other payables	1	3,241
Accruals and deferred income	555	3,815
	<u>45,592</u>	<u>54,926</u>

#### 14 Share capital

	2018 £000's	2017 £000's
<b>Issued and fully paid</b>		
4 Ordinary shares of £1 each	-	-
	<u>-</u>	<u>-</u>

#### 15 Reserves

The Reserves account includes all current and prior period retained profit and losses.

#### 16 Related party transactions

As permitted by FRS 102 the company has taken advantage of the disclosure exemption available under that standard in relation to related party transactions with other wholly-owned members of the group.

## **BRANDS HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE PERIOD ENDED 29 APRIL 2018**

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#### **17 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. MASH Holdings Limited indirectly holds the majority of shares in Sports Direct International plc (the immediate parent company).

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