

Registered number: 05899282

**HEAVEN OR HELL LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2017**

WEDNESDAY



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## HEAVEN OR HELL LIMITED

### COMPANY INFORMATION

|                             |   |
|-----------------------------|---|
| <b>Directors</b>            | R S Ebbins (resigned 2 December 2016)<br>D M Forsey (resigned 21 December 2016)<br>I Hopkins (resigned 2 December 2016)<br>S M Nevitt (resigned 14 October 2016)<br>R I L Stockton (appointed 2 December 2016)<br>A A Adegoke (appointed 2 December 2016) |
| <b>Company secretary</b>    | C J Olsen   |
| <b>Registered number</b>    | 05899282  |
| <b>Registered office</b>    | Unit A Brook Park East<br>Shirebrook<br>Mansfield<br>Nottingham<br>NG20 8RY   |
| <b>Independent auditors</b> | PKF Cooper Parry Group Limited<br>Chartered Accountants & Statutory Auditor<br>Sky View<br>Argosy Road<br>East Midlands Airport<br>Castle Donington<br>Derby<br>DE74 2SA  |

# **HEAVEN OR HELL LIMITED**

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## **HEAVEN OR HELL LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2017**

The directors present their report and the financial statements for the year ended 30 April 2017.

#### **Directors' responsibilities statement**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the company's financial statements and then apply them consistently;
- make judgments 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;
- 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 to 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.

#### **Principal activity**

The principal activity of the company is the retail sale of licensed and fashion goods.

#### **Results and dividends**

The loss for the year, after taxation, amounted to £107,993 (2016: loss £506,460).

No dividends have been paid through the period (2016: £Nil).

#### **Directors**

The directors who served during the year are stated in the company information page.

#### **Future developments**

The directors do not foresee any changes to the principal activities of the company.

**HEAVEN OR HELL LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 APRIL 2017**

**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



**R I L Stockton**  
Director

Date: 30 January 2018.

## **HEAVEN OR HELL LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEAVEN OR HELL LIMITED**

We have audited the financial statements of Heaven or Hell Limited for the year ended 30 April 2017, set out on pages 5 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2017 and of its loss 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.

#### **Opinion on other matter 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 Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

In the light of our 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.

HEAVEN OR HELL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEAVEN OR HELL LIMITED (CONTINUED)

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

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 directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

*PKF Cooper Parry Group Limited*

Richard Jones (Senior Statutory Auditor)

for and on behalf of

**PKF Cooper Parry Group Limited**

Chartered Accountants  
Statutory Auditor

Sky View  
Argosy Road  
East Midlands Airport  
Castle Donington  
Derby  
DE74 2SA

Date: *31 January 2018.*

# HEAVEN OR HELL LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2017

|   | Note | 2017<br>£              | 2016<br>£              |
|---|------|------------------------|------------------------|
| Turnover  |      | 2,380,392              | 2,926,912              |
| Cost of sales   |      | (1,580,737)            | (2,032,066)            |
| <b>Gross profit</b>                                       |      | <u>799,655</u>         | <u>894,846</u>         |
| Administrative expenses                                   |      | (938,323)              | (1,383,593)            |
| <b>Operating loss</b>                                     | 3    | <u>(138,668)</u>       | <u>(488,747)</u>       |
| Interest payable and expenses                             | 6    | -                      | (17,713)               |
| <b>Loss before tax</b>                                    |      | <u>(138,668)</u>       | <u>(506,460)</u>       |
| Tax on loss   | 7    | 30,675                 | -                      |
| <b>Loss after tax</b>                                     |      | <u>(107,993)</u>       | <u>(506,460)</u>       |
| <br><b>Retained earnings at the beginning of the year</b> |      | <br><u>(2,489,442)</u> | <br><u>(1,982,982)</u> |
|   |      | (2,489,442)            | (1,982,982)            |
| Loss for the year   |      | <u>(107,993)</u>       | <u>(506,460)</u>       |
| <b>Retained earnings at the end of the year</b>           |      | <u>(2,597,435)</u>     | <u>(2,489,442)</u>     |

There were no recognised gains and losses for 2017 or 2016 other than those included in the profit and loss account .

The notes on pages 7 to 16 form part of these financial statements.

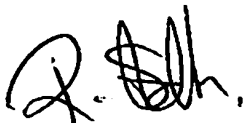


**HEAVEN OR HELL LIMITED**  
**REGISTERED NUMBER: 05899282**

**BALANCE SHEET**  
**AS AT 30 APRIL 2017**

|   | Note | 2017<br>£          | 2016<br>£          |
|---|------|--------------------|--------------------|
| <b>Fixed assets</b>                                   |      |                    |                    |
| Intangible assets                                     | 8    | 1                  | 1                  |
| Tangible assets                                       | 9    | 6,534              | 31,211             |
|   |      | <u>6,535</u>       | <u>31,212</u>      |
| <b>Current assets</b>                                 |      |                    |                    |
| Stocks  | 10   | -                  | 226,483            |
| Debtors   | 11   | 538,521            | 632,476            |
| Cash and bank in hand                                 |      | 18,204             | 167,986            |
|   |      | <u>556,725</u>     | <u>1,026,945</u>   |
| <b>Creditors: amounts falling due within one year</b> | 12   | (3,125,857)        | (3,486,361)        |
| <b>Net current liabilities</b>                        |      | (2,569,132)        | (2,459,416)        |
| <b>Provisions for liabilities</b>                     |      |                    |                    |
| Other provisions                                      |      | (34,238)           | (60,638)           |
| <b>Net liabilities</b>                                |      | <u>(2,596,835)</u> | <u>(2,488,842)</u> |
| <b>Capital and reserves</b>                           |      |                    |                    |
| Called up share capital                               |      | 600                | 600                |
| Profit and loss account                               |      | (2,597,435)        | (2,489,442)        |
|   |      | <u>(2,596,835)</u> | <u>(2,488,842)</u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**R I L Stockton**  
Director

Date: 30 January 2018 .

The notes on pages 7 to 16 form part of these financial statements.

## HEAVEN OR HELL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

Heaven or Hell Limited is a limited liability company incorporated in the United Kingdom. The address of its registered office is disclosed on the company information page.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in Sterling (£), which is the functional currency of the company. The financial statements are for the 53 weeks ended 30 April 2017 (2016: 52 weeks ended 24 April 2016).

The preparation of the financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 2).

The following principal accounting policies have been applied:

##### 1.2 Going concern

At the period end the company had a deficit on shareholders funds of £2,596,835 (2016: £2,488,842).

The deficit is funded by loans from other group companies which will not be called for repayment unless the cash flow permits for a minimum period of 12 months. The directors have reviewed future forecasts, and with parent company support, consider that it is appropriate for the accounts to be prepared on a going concern basis.

##### 1.3 Disclosure exemptions

The company has adopted the following disclosure exemptions:

Under FRS 102 Section 1.12, the company is exempt from the requirements to prepare a statement of cash flows on the grounds that the parent company of the group, Sports Direct International plc, includes the company's cash flows in its own published consolidated financial statements, available as set out in note 16.

The entity is a 'qualifying entity' and has also taken advantage of the exemption from disclosing key management personnel (other than directors emoluments) under FRS 102 Section 1.12.

As the company is a wholly owned subsidiary of a company whose consolidated accounts include the results of the subsidiary and are publicly available, the company has taken advantage of the FRS 102 Section 33.1a exemption from disclosing transactions with group undertakings.

## HEAVEN OR HELL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

#### 1. Accounting policies (continued)

##### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Repairs and maintenance are charged to the profit and loss account during the period in which they are incurred.

Depreciation is provided at rates calculated to write off the costs of fixed assets, less their residual value over their expected useful lives on the following basis:

|                               |   |                   |
|-------------------------------|---|-------------------|
| Short-term leasehold property | - | 20% straight line |
| Fixtures and fittings         | - | 20% straight line |
| Office equipment              | - | 33% straight line |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within administrative expenses in the profit and loss account.

At each balance sheet date, the company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that any items of property, plant and equipment have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately.

##### 1.5 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign countries are recorded at the rate ruling at the date of transaction. All differences are taken to profit and loss account.

##### 1.6 Pensions

The company operates a defined contribution pension scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable. Amounts not paid are shown in accruals as a liability on the balance sheet. The assets of the scheme are held separately from those of the company in an independently administered pension fund.

## HEAVEN OR HELL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

#### 1. Accounting policies (continued)

##### 1.7 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable and loans to or from related parties.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

For financial assets measured at cost less impairment, the impairment loss is measured at the difference between an asset's carrying amount and best estimate which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

##### 1.8 Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

###### **Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

## HEAVEN OR HELL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

#### 1. Accounting policies (continued)

##### 1.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The income tax charge will also be affected by estimates and judgments made by management on the availability and allocation of tax losses within the group.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

## HEAVEN OR HELL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

#### 2. Judgements In applying accounting policies 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, 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.

#### **Depreciation 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 re-assessing 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 projects disposal values.

#### **Impairment of non-current assets**

The directors assess the impairment of tangible fixed assets subject to 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 the strategy for the overall business; and
- Significant negative industry or economic trends.

#### **Provisions for obsolete, slow moving or defective stock**

The directors review the market value of and demand for its stocks on a periodic basis to ensure stock is recorded in the financial statements at the lower of cost and net realisable value. Any provision for impairment is recorded against the carrying value of stocks. The directors use their knowledge of market conditions, historical experiences and estimates of future events to assess demand for the company's products and achievable selling prices.

#### **Taxation**

Estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits.

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

#### **Leases**

The directors determine whether leases entered into are an operating lease or a finance lease. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the company on a lease by lease basis based on an evaluation of the terms and conditions of the arrangements, and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

# HEAVEN OR HELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

### 3. Operating loss

The operating loss is stated after charging:

|                                       | 2017<br>£         | 2016<br>£         |
|---------------------------------------|-------------------|-------------------|
| Depreciation of tangible fixed assets | 24,679            | 33,941            |
| Difference on foreign exchange        | (102)             | 2,494             |
| Auditors' remuneration                | 4,000             | 4,500             |
| Other operating lease rentals         | 59,319            | 272,964           |
|                                       | <u>          </u> | <u>          </u> |

### 4. Staff costs

|                       | 2017<br>£      | 2016<br>£      |
|-----------------------|----------------|----------------|
| Wages and Salaries    | 444,722        | 522,636        |
| Social security costs | 24,781         | 28,851         |
| Other pension costs   | 2,321          | 2,279          |
|                       | <u>471,824</u> | <u>553,766</u> |

The company has no employees and staff costs are recharged by a fellow group company.

### 5. Directors' remuneration

|                         | 2017<br>£         | 2016<br>£         |
|-------------------------|-------------------|-------------------|
| Directors' emoluments   | -                 | 109,577           |
| Directors pension costs | -                 | 791               |
|                         | <u>          </u> | <u>          </u> |

During the year retirement benefits were accruing to no directors (2016: 2) in respect of defined contribution pension schemes.

### 6. Interest payable

|                                  | 2017<br>£         | 2016<br>£         |
|----------------------------------|-------------------|-------------------|
| On loans from group undertakings | -                 | 17,713            |
|                                  | <u>          </u> | <u>          </u> |

# HEAVEN OR HELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

### 7. Taxation

|   | 2017<br>£       | 2016<br>£ |
|---|-----------------|-----------|
| Origination and reversal of timing differences          | (33,253)        | -         |
| Changes to tax rates                                    | 2,578           | -         |
| <b>Total deferred tax</b>                               | <u>(30,675)</u> | <u>-</u>  |
| <b>Taxation on (loss)/profit on ordinary activities</b> | <u>(30,675)</u> | <u>-</u>  |

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2016: higher than) the standard rate of corporation tax in the UK of 20% (2016: 20%). The differences are explained below:

|   | 2017<br>£        | 2016<br>£        |
|---|------------------|------------------|
| Loss on ordinary activities before tax  | <u>(138,668)</u> | <u>(506,460)</u> |
| Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016: 20%) | (27,734)         | (101,292)        |
| <b>Effects of:</b>  |                  |                  |
| Group relief  | <u>(2,941)</u>   | <u>101,292</u>   |
| <b>Total tax charge for the year</b>  | <u>(30,675)</u>  | <u>-</u>         |

### 8. Intangible assets

|                               | Goodwill<br>£ |
|-------------------------------|---------------|
| <b>Cost</b>                   |               |
| 25 April 2016 & 30 April 2017 | <u>1</u>      |
| <b>Net book value</b>         |               |
| 25 April 2016 & 30 April 2017 | <u>1</u>      |



**HEAVEN OR HELL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2017**

**9. Tangible fixed assets**

|                       | Short-term<br>leasehold<br>property<br>£ | Fixtures and<br>fittings<br>£ | Office<br>equipment<br>£ | Total<br>£ |
|-----------------------|--|-------------------------------|--------------------------|------------|
| <b>Cost</b>           |  |                               |                          |            |
| At 25 April 2016      | 72,197                                   | 144,664                       | 5,452                    | 222,313    |
| Disposals             | (5,904)                                  | (39,830)                      | (4,024)                  | (49,758)   |
| At 30 April 2017      | 66,293                                   | 104,834                       | 1,428                    | 172,555    |
| <b>Depreciation</b>   |  |                               |                          |            |
| At 25 April 2016      | 56,057                                   | 130,128                       | 4,915                    | 191,100    |
| Charge for the year   | 9,606                                    | 14,536                        | 537                      | 24,679     |
| Disposals             | (5,904)                                  | (39,830)                      | (4,024)                  | (49,758)   |
| At 30 April 2017      | 59,759                                   | 104,834                       | 1,428                    | 166,021    |
| <b>Net book value</b> |  |                               |                          |            |
| At 30 April 2017      | 6,534                                    | -                             | -                        | 6,534      |
| At 24 April 2016      | 16,140                                   | 14,536                        | 537                      | 31,213     |

**10. Stocks**

|                                     | 2017<br>£ | 2016<br>£ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | -         | 226,483   |

Stock recognised in cost of sales during the period as an expense was £1,297,679 (2016: £1,622,470).

An impairment gain of £11,911 (2016: gain of £3,474) was recognised in cost of sales against stock during the period.

# HEAVEN OR HELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

### 11. Debtors

|                                    | 2017<br>£      | 2016<br>£      |
|------------------------------------|----------------|----------------|
| Amounts owed by group undertakings | 386,321        | 385,544        |
| Other debtors                      | 120,906        | 157,920        |
| Prepayments and accrued income     | 619            | 89,012         |
| Deferred taxation                  | 30,675         | -              |
|                                    | <u>538,521</u> | <u>632,476</u> |

### 12. Creditors: Amounts falling due within one year

|                                    | 2017<br>£        | 2016<br>£        |
|------------------------------------|------------------|------------------|
| Trade creditors                    | 31,452           | 41,628           |
| Amounts owed to group undertakings | 3,016,311        | 3,330,008        |
| Other taxation and social security | 303              | 9,889            |
| Other creditors                    | 37,030           | 4,181            |
| Accruals and deferred income       | 40,761           | 100,655          |
|                                    | <u>3,125,857</u> | <u>3,486,361</u> |

Amounts owed to group undertakings are secured by the way of a debenture agreement with a fixed and floating charge over the assets of the company.

### 13. Deferred taxation

|                           | 2017<br>£            |
|---------------------------|----------------------|
| At beginning of year      | -                    |
| Charged to profit or loss | 30,675               |
| <b>At end of year</b>     | <u><b>30,675</b></u> |

The deferred tax asset is made up as follows:

|                                | 2017<br>£     |
|--------------------------------|---------------|
| Accelerated capital allowances | <u>30,675</u> |

# HEAVEN OR HELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

### 14. Pension commitments

The company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in an independently administered fund. The pension costs represent contributions payable by the company to the schemes and amounted to £2,321 (2016: £2,279).

### 15. Operating lease commitments

At 30 April 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

|  | 2017<br>£ | 2016<br>£     |
|--|-----------|---------------|
| Not later than 1 year                        | -         | 54,932        |
| Later than 1 year and not later than 5 years | -         | 31,233        |
| Later than 5 years                           | -         | -             |
| <b>Total</b>                                 | <b>-</b>  | <b>86,165</b> |

### 16. Related party transactions

During the year the company undertook transactions and has balances outstanding as at the year end with entities connected by common directors:

|                             | 2017<br>£          | 2016<br>£          |
|-----------------------------|--------------------|--------------------|
| Sales                       | -                  | 196,436            |
| Purchases                   | -                  | (3,399,502)        |
| Amounts owed to the company | 386,321            | 385,544            |
| Amounts owed by the company | (3,016,311)        | (3,330,009)        |
|                             | <b>(2,629,990)</b> | <b>(6,147,531)</b> |

### 17. Ultimate parent undertaking and controlling party

The ultimate parent controlling party is M J W Ashley by virtue of his 100% ownership of MASH Holdings Limited, the ultimate controlling company. MASH Holdings Limited holds the majority of shares in Sports Direct International plc, who owns 100% of the share capital of Sportsdirect.com Retail Limited, the immediate parent company of Heaven or Hell Limited, with 51% of the shareholding.

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