

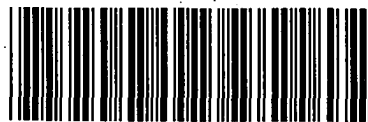
Registered number: 06836684

FIRETRAP LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 24 APRIL 2016

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FIRETRAP LIMITED

COMPANY INFORMATION

Directors	R I L Stockton (appointed 14 October 2016) A A Adegoke (appointed 14 October 2016) D M Forsey (resigned 14 October 2016) S M Nevitt (resigned 14 October 2016)
Company secretary	C J Olsen
Registered number	06836684
Registered office	Unit A Brook Park East Shirebrook NG20 8RY
Independent auditors	PKF Cooper Parry Group Limited Chartered Accountants & Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA

FIRETRAP LIMITED

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FIRETRAP LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 24 APRIL 2016

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

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 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;
- 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.

Principal activity

The principal activity of the company was of a retailer of fashion clothing and accessories.

Results and dividends

The profit for the period, after taxation, amounted to £951,032 (2015: £1,676,098).

No dividends have been paid in the period (2015: £Nil).

Directors

The directors who served during the period were:

A A Adegoke (appointed 14 October 2016)
R I L Stockton (appointed 14 October 2016)
D M Forsey (resigned 14 October 2016)
S M Nevitt (resigned 14 October 2016)

FIRETRAP LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 24 APRIL 2016**

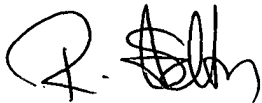
Disclosure of information to auditors

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 are taking 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 2017

FIRETRAP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIRETRAP LIMITED

We have audited the financial statements of Firetrap Limited for the period ended 24 April 2016, set out on pages 5 to 16. The financial reporting framework that has been applied in their preparation is applicable law and the 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 24 April 2016 and of its profit or 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with those financial statements.

FIRETRAP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIRETRAP 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 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: *30th January 2017*

FIRETRAP LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 24 APRIL 2016**

	Note	2016 £	2015 £
Turnover	3	4,095,178	7,497,750
Cost of sales		(2,200,964)	(4,870,475)
Gross profit		<u>1,894,214</u>	<u>2,627,275</u>
Distribution costs		(12,608)	(4,376)
Administrative expenses		(930,734)	(961,269)
Operating profit	4	<u>950,872</u>	<u>1,661,630</u>
Interest receivable and similar income		160	-
Profit on ordinary activities before taxation		<u>951,032</u>	<u>1,661,630</u>
Tax benefit on profit	6	-	14,468
Profit for the financial period		<u><u>951,032</u></u>	<u><u>1,676,098</u></u>
 Retained earnings at the beginning of the period		 (6,527,895)	 (8,203,993)
Profit for the period		<u>951,032</u>	<u>1,676,098</u>
Retained earnings at the end of the period		<u><u>(5,576,863)</u></u>	<u><u>(6,527,895)</u></u>

There were no recognised gains and losses for 2016 or 2015 other than those included in the profit and loss account.

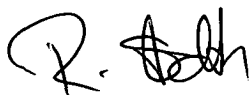
The notes on pages 7 to 16 form part of these financial statements.

FIRETRAP LIMITED
REGISTERED NUMBER:06836684

BALANCE SHEET
AS AT 24 APRIL 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	7	612,557	1,280,800
Current assets			
Stocks	9	256,791	176,338
Debtors: amounts falling due within one year	10	902,376	1,498,180
Cash at bank and in hand		35,657	823,943
		<u>1,194,824</u>	<u>2,498,461</u>
Creditors: amounts falling due within one year	11	<u>(7,384,243)</u>	<u>(10,307,155)</u>
Net current liabilities		(6,189,419)	(7,808,694)
Net liabilities		<u>(5,576,862)</u>	<u>(6,527,894)</u>
Capital and reserves			
Called up share capital	13	1	1
Profit and loss account	14	<u>(5,576,863)</u>	<u>(6,527,895)</u>
		<u>(5,576,862)</u>	<u>(6,527,894)</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 2017

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

FIRETRAP LIMITED

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

1. Accounting policies

Firetrap Limited is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is shown on the company information page.

The financial statements are prepared in Sterling (£), which is the functional currency of the company. The financial statements are for the 52 weeks ended 24 April 2016 (2015: 52 weeks ended 26 April 2015).

1.1 Basis of preparation of financial statements

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

The company transitioned from previously extant UK GAAP to FRS 102 as at 28 April 2014. The transition is not considered to have a material effect on the financial statements and no adjustments were necessary to restate the financial statements previously under UK GAAP, including the balance sheet as at 28 April 2014 and the financial statements as at and for the year ended 26 April 2015.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

1.2 Going concern

The financial statements are prepared on a going concern basis because the company's working capital is financed by Sports Direct International plc. Sports Direct International plc has agreed not to withdraw finance for the foreseeable future.

1.3 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.

The entity is a 'qualifying entity' and has also taken advantage of the exemption from disclosing key management personnel (other than directors emoluments) and certain information relating to financial instruments 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.

The company has taken advantage of the FRS 102 Section 35.10a exemption to not apply Section 19 Business Combinations and Goodwill to business combinations that were effected before the date of transition to this FRS.

Where required, equivalent disclosures are given in the group accounts of Sports Direct International plc. The groups accounts of Sports Direct International plc are available to the public and can be obtained as set out in note 16.

The following principal accounting policies have been applied:

FIRETRAP LIMITED

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

1. Accounting policies (continued)

1.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

Turnover 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 turnover 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.

1.5 Intangible fixed assets

Intellectual property and trademarks are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives of 5 years.

1.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at 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:

Fixtures, fittings & equipment	-	Straight line over 5 years
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or 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.

1.7 Stocks

Stock is valued at the lower of cost and net realisable value.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit and loss.

FIRETRAP LIMITED

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

1. Accounting policies (continued)

1.8 Financial instruments

The company only enters into basic financial instruments 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 as 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.

1.9 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable. The assets of the scheme are held separately from those of the company in an independently administered pension fund.

1.10 Current and deferred taxation

Current or deferred tax is recognised in the profit and loss account, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current or deferred tax is also recognised in other comprehensive income or directly in equity respectively.

The current income and deferred tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. 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.

1.11 Foreign currencies

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 currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

FIRETRAP LIMITED

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

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.

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 future demand for the company's products and achievable selling prices.

Recoverability of trade debtors

Trade and other receivables are recognised to the extent that they are judged recoverable. The directors makes allowance for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable.

The directors specifically analyse historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the provision for doubtful debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of debtors and the charge in the profit and loss account.

Depreciation and residual values

The directors have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of fixtures, fittings and equipment, 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.

Intangible assets

The company establishes a reliable estimate of the useful life of intangible assets. The estimate is based on a variety of factors such as the expected use of the cash generating units to which intangible assets are attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

Assumptions relating to tax

The directors are 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.

FIRETRAP LIMITED

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

3. Turnover

The whole of the turnover is derived from the principal activity being the supply of goods.

Analysis of turnover by country of destination:

	2016 £	2015 £
United Kingdom	4,095,178	7,480,018
Rest of Europe	-	4,190
Rest of the World	-	13,542
	<u>4,095,178</u>	<u>7,497,750</u>

4. Operating profit

The operating profit is stated after charging/(crediting):

	2016 £	2015 £
Depreciation of tangible fixed assets	-	9,985
Amortisation of intangible assets, including goodwill	668,243	677,525
Auditors' remuneration	17,030	16,530
Exchange differences	197	(6,277)
	<u>197</u>	<u>(6,277)</u>

5. Staff costs

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	129,102	133,596
Social security costs	9,926	7,598
Pension costs	653	(2,338)
	<u>139,681</u>	<u>138,856</u>

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

Directors are employed and remunerated through other group companies.

FIRETRAP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 APRIL 2016**

6. Taxation

	2016 £	2015 £
Deferred tax		
Other timing differences	-	(14,468)
Total deferred tax	-	(14,468)
Taxation on profit on ordinary activities	-	(14,468)

Factors affecting tax charge for the period

The tax assessed for the period is lower than (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 21%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	951,032	1,661,630
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015: 21%)	190,206	348,942
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	109
Capital allowances for period in excess of depreciation	-	(774)
Other differences leading to a decrease in the tax charge	-	(14,468)
Group relief	(190,206)	(974,164)
Transfer pricing adjustments	-	625,887
Total tax charge for the period	-	(14,468)

FIRETRAP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 APRIL 2016**

7. Intangible assets

	Intellectual property and trademarks £
Cost	
At 25 April 2015 and 24 April 2016	2,499,990
Amortisation	
At 25 April 2015	1,219,190
Charge for the year	668,243
At 24 April 2016	1,887,433
Net book value	
At 24 April 2016	612,557
At 26 April 2015	1,280,800

8. Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
At 25 April 2015	124,642
Disposals	(124,642)
At 24 April 2016	-
Depreciation	
At 25 April 2015	124,642
Disposals	(124,642)
At 24 April 2016	-
Net book value	
At 24 April 2016	-
At 26 April 2015	-

FIRETRAP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 APRIL 2016**

9. Stocks

	2016	2015
	£	£
Finished goods and goods for resale	256,791	176,338

Stock recognised in cost of sales during the period as an expense was £2,464,986 (2015: £5,115,598)

An impairment loss of £Nil (2015: £24,984) was recognised in cost of sales against stock during the period due to slow-moving and obsolete stock.

10. Debtors

	2016	2015
	£	£
Trade debtors	752,016	1,349,965
Amounts owed by group undertakings	81,919	98,871
Prepayments and accrued income	53,973	34,876
Deferred asset (see note 12)	14,468	14,468
	<u>902,376</u>	<u>1,498,180</u>

An impairment loss of (£43,056) (2015: (£11,192)) was recognised in administrative expenses during the period relating to trade debtors.

11. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	2,507	950,437
Amounts owed to group undertakings	6,896,887	8,585,300
Taxation and social security	285,359	295,537
Other creditors	128,447	258,695
Accruals and deferred income	71,043	217,186
	<u>7,384,243</u>	<u>10,307,155</u>

Amounts owed to group undertakings are unsecured, do not attract interest, and are repayable on demand.

FIRETRAP LIMITED

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

12. Deferred taxation

	2016 £	2015 £
At beginning of year	14,468	-
Released during the period	-	14,468
At end of year	14,468	14,468

The deferred tax asset is made up as follows:

	2016 £	2015 £
Other timing differences	14,468	14,468

13. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
1 Ordinary share of £1	1	1

14. Reserves

Profit and loss account

The profit and loss reserve represents accumulated comprehensive income for the current period and prior periods.

15. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £1,677 (2015: £8,913).

Contributions totalling £Nil (2015: £118) were receivable from the fund at the balance sheet date.

FIRETRAP LIMITED

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

16. Ultimate parent undertaking and controlling party

The ultimate controlling party is M J W Ashley, by virtue of his 100% ownership of MASH Holdings Limited, the ultimate parent. MASH Holdings Limited indirectly hold the majority of shares in Brands Holdings Limited, the immediate parent company which is a wholly owned subsidiary of Sports Direct International plc.

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