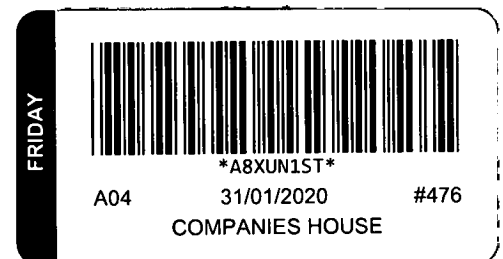


Company Registration No. 11572676 (England and Wales)

SDI (PROPCO 67) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2019



SDI (PROPCO 67) LIMITED

COMPANY INFORMATION

Directors	AA Adegoke AP O Dick	(Appointed 17 September 2018) (Appointed 14 March 2019)
Secretary	T J Piper	
Company number	11572676	
Registered office	Unit A Brook Park East Shirebrook NG20 8RY	
Auditor	Smith Cooper Audit Limited 2 Lace Market Square Nottingham NG1 1PB	

SDI (PROPCO 67) LIMITED

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SDI (PROPCO 67) LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 28 APRIL 2019

The directors present their annual report and financial statements for the period ended 28 April 2019.

Principal activities

The principal activity of the company was being the lease holder for a House of Fraser store.

Directors

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

A A Adegoke	(Appointed 17 September 2018)
A P O Dick	(Appointed 14 March 2019)
R I L Stockton	(Appointed 17 September 2018 and resigned 14 March 2019)

Auditor

Smith Cooper Audit Limited were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

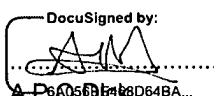
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

On behalf of the board

DocuSigned by:

A P O Dick

Director

Date: 28 January 2020

SDI (PROPCO 67) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SDI (PROPCO 67) LIMITED

Opinion

We have audited the financial statements of SDI (Propco 67) Limited (the 'company') for the period ended 28 April 2019 which comprise the profit and loss account, the balance sheet, 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 28 April 2019 and of its profit 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.

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.

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.

SDI (PROPCO 67) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SDI (PROPCO 67) LIMITED

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 directors were not entitled to prepare the financial statements in accordance with the small companies regime and 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.

Responsibilities of directors

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.

SDI (PROPCO 67) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF SDI (PROPCO 67) LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Smith Cooper Audit Limited

**Sarah Flear (Senior Statutory Auditor)
for and on behalf of Smith Cooper Audit Limited**

28/1/2020

**Chartered Accountants
Statutory Auditor**

2 Lace Market Square
Nottingham
NG1 1PB

SDI (PROPCO 67) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 28 APRIL 2019

		Period ended 28 April 2019 £
	Notes	
Profit before taxation		-
Tax on profit	4	-
Profit for the financial period		<u><u>-</u></u>

There were no recognised gains and losses for 2019 other than those included above.

The notes on pages 8 - 11 form part of these financial statements.

SDI (PROPCO 67) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 28 APRIL 2019

	Notes	Share capital £
Period ended 28 April 2019:		
Profit and total comprehensive income for the period		-
Issue of share capital	7	100
Balance at 28 April 2019		<u>100</u>

The notes on pages 8 - 11 form part of these financial statements.

SDI (PROPCO 67) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28 APRIL 2019

1 Accounting policies

Company information

SDI (Propco 67) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit A, Brook Park East, Shirebrook, NG20 8RY.

1.1 Accounting convention

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 £. The company was incorporated on 17 September 2018 and the financial statements are for the period ended 28 April 2019.

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

As permitted by FRS102, the company has taken advantage of the disclosure exemptions available under that standard in relation to the presentation of a cash flow statement, financial instrument disclosures and the disclosure of related party transactions with group.

Where required, equivalent disclosures are given in the group accounts of Sports Direct International plc. The group accounts of Sports Direct International plc are available to the public and can be obtained as set out in note 10.

In applying the companies accounting policies the directors have not needed to make judgements, estimations or assumptions.

1.2 Going concern

At the period end the company had net assets. Transactions in the company are funded by loans from other group companies which will not be called for repayment unless cash flow permits for a minimum period of 12 months from the date of signing these financial statements. 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 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.

SDI (PROPCO 67) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 28 APRIL 2019

1 Accounting policies

(Continued)

1.4 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.5 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Operating profit

	2019
Operating profit for the period is stated after charging:	£
Operating lease charges	2,345,918

Auditor remuneration is borne by another group company.

3 Employees

Directors are employed and remunerated through other group companies. The company has no employees.

SDI (PROPCO 67) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 28 APRIL 2019

4 Taxation

The actual charge for the period can be reconciled to the expected credit for the period based on the profit or loss and the standard rate of tax as follows:

	2019 £
Profit before taxation	-
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00%	-
Taxation charge in the financial statements	-

5 Debtors

	2019 £
Amounts falling due within one year:	
Other debtors	532,600
Prepayments and accrued income	501,477
	1,034,077

6 Creditors: amounts falling due within one year

	2019 £
Amounts owed to group undertakings	947,578
Accruals and deferred income	87,524
	1,035,102

7 Share capital

	2019 £
Ordinary share capital	
Issued and not fully paid	
100 Ordinary shares of £1 each	100

100 Ordinary Shares were allotted during the period at £1 each for which no consideration has yet been received.

SDI (PROPCO 67) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 28 APRIL 2019

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £
Within one year	3,428,926

9 Related party transactions

The company has taken advantage of the exemption under FRS102 Section 33.1A Related Party Disclosures from disclosing transactions with other groups entities.

10 Ultimate controlling party

The ultimate controlling party is M J W Ashley, by virtue of his 100% ownership of MASH Holdings Limited, the unlimited parent company. MASH holdings Limited indirectly holds the majority of shares in Frasers Group plc (formerly Sports Direct International plc), who own 100% of the share capital of SDI Property Limited (the intermediate parent company).

Frasers Group plc (formerly Sports Direct International plc) is the smallest company and MASH Holdings Limited is the largest company to consolidate these accounts. Both Frasers Group plc (formerly Sports Direct International plc) and MASH Holdings Limited 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.