

Company registration number 11674753 (England and Wales)

**SDI (PROPCO 88) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 24 APRIL 2022**



**SDI (PROPCO 88) LIMITED**

**COMPANY INFORMATION**

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|                          |                                                                                 |
|--------------------------|---------------------------------------------------------------------------------|
| <b>Directors</b>         | AA Adegoke<br>A P O Dick                                                        |
| <b>Company number</b>    | 11674753                                                                        |
| <b>Registered office</b> | Unit A<br>Brook Park East<br>Shirebrook<br>Mansfield<br>NG20 8RY                |
| <b>Auditor</b>           | PKF Smith Cooper Audit Limited<br>2 Lace Market Square<br>Nottingham<br>NG1 1PB |

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**SDI (PROPCO 88) LIMITED**

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## **SDI (PROPCO 88) LIMITED**

### **DIRECTORS' REPORT**

#### **FOR THE PERIOD ENDED 24 APRIL 2022**

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The directors present their annual report and financial statements for the period ended 24 April 2022.

#### **Principal activities**

The principal activity of the company was being the leaseholder 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

A P O Dick

#### **Auditor**

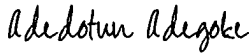
PKF Smith Cooper Audit Limited were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

#### **Statement of 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:



180A8E7EE506410::

A A Adegoke

**Director**

19 April 2023

Date: .....

## **SDI (PROPCO 88) LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE PERIOD ENDED 24 APRIL 2022***

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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.

# SDI (PROPCO 88) LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF SDI (PROPCO 88) LIMITED

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#### Opinion

We have audited the financial statements of SDI (Propco 88) Limited (the 'company') for the period ended 24 April 2022 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 24 April 2022 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

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

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

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 year 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 88) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF SDI (PROPCO 88) LIMITED**

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##### **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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; 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 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.

## **SDI (PROPCO 88) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF SDI (PROPCO 88) LIMITED**

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##### **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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Company and industry, we identify the key laws and regulations affecting our Company. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We identified that the principal risk of fraud or non-compliance with laws and regulations related to:

- management bias in respect of accounting estimates and judgements made;
- management override of control;
- posting of unusual journals or transactions.

We focused on those areas that could give rise to a material misstatement in the Company financial statements. Our procedures included, but were not limited to:

- Enquiry of management and those charged with governance around actual and potential litigation and claims, including instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance where available;
- Reviewing legal expenditure in the year to identify instances of non-compliance with laws and regulations and fraud;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

It is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



## **SDI (PROPCO 88) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF SDI (PROPCO 88) LIMITED**

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#### **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.

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

26/4/23

**Accountants**  
**Statutory Auditor**

2 Lace Market Square  
Nottingham  
NG1 1PB

**SDI (PROPCO 88) LIMITED**

**PROFIT AND LOSS ACCOUNT**

***FOR THE PERIOD ENDED 24 APRIL 2022***

|                                        |              | <b>Period<br/>ended<br/>24 April<br/>2022<br/>£</b> | <b>Period<br/>ended<br/>25 April<br/>2021<br/>£</b> |
|----------------------------------------|--------------|-----------------------------------------------------|-----------------------------------------------------|
| <b>Profit before taxation</b>          | <b>Notes</b> | -                                                   | -                                                   |
| Tax on profit                          | 5            | -                                                   | -                                                   |
| <b>Profit for the financial period</b> |              | -                                                   | -                                                   |

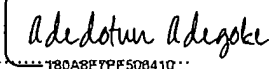
The profit and loss account has been prepared on the basis that all operations are continuing operations.

**SDI (PROPCO 88) LIMITED****BALANCE SHEET****AS AT 24 APRIL 2022**

|                                                       | Notes | 2022<br>£ | £         | 2021<br>£ | £         |
|-------------------------------------------------------|-------|-----------|-----------|-----------|-----------|
| <b>Current assets</b>                                 |       |           |           |           |           |
| Debtors                                               | 6     | 871,751   |           | 800,631   |           |
| <b>Creditors: amounts falling due within one year</b> | 7     | (596,845) |           | (571,526) |           |
| <b>Net current assets</b>                             |       |           | 274,906   |           | 229,105   |
| <b>Provisions for liabilities</b>                     |       |           |           |           |           |
| Provisions                                            | 8     | 274,806   | (274,806) | 229,005   | (229,005) |
| <b>Net assets</b>                                     |       |           | 100       |           | 100       |
| <b>Capital and reserves</b>                           |       |           |           |           |           |
| Called up share capital                               | 9     |           | 100       |           | 100       |

The notes on pages 10 to 13 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 19 April 2023 and are signed on its behalf by:

DocuSigned by:  
  
 180A8E7EE508410...  
 AA Adegoke  
 Director

**Company Registration No. 11674753**

**SDI (PROPCO 88) LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 24 APRIL 2022**


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|                                                      | <b>Share<br/>capital<br/>£</b> |
|------------------------------------------------------|--------------------------------|
| <b>Balance at 1 May 2020</b>                         | 100                            |
| <b>Period ended 25 April 2021:</b>                   |                                |
| Profit and total comprehensive income for the period | -                              |
|                                                      | <hr/>                          |
| <b>Balance at 25 April 2021</b>                      | 100                            |
| <b>Period ended 24 April 2022:</b>                   |                                |
| Profit and total comprehensive income for the period | -                              |
|                                                      | <hr/>                          |
| <b>Balance at 24 April 2022</b>                      | <u>100</u>                     |

# SDI (PROPCO 88) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 24 APRIL 2022

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### 1 Accounting policies

#### Company information

SDI (Propco 88) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit A, Brook Park East, Shirebrook, Mansfield, 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 £. These financial statements are for the 52 week period ended 24 April 2022 (2021: 52 week period ended 25 April 2021).

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 Frasers Group plc (formerly Sports Direct International plc) . The group accounts of Frasers Group (formerly Sports Direct International plc) are available to the public and can be obtained as shown in note 11.

#### 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 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 recoverable 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.

#### 1.4 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 year. 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 years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# SDI (PROPCO 88) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 24 APRIL 2022

#### 1 Accounting policies

(Continued)

##### 1.5 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

##### 1.6 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 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.

##### 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.

##### *Property related provisions*

Property related provisions and judgements are continually evaluated and are based on historical experience, external advice and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### *Dilapidations*

The company provides for its legal responsibility for dilapidation costs in accordance with FRS 102 section 21. The provision is calculated following advice from chartered surveyors and experience of exit costs of previously closed stores (including strip out costs and professional fees). An average cost per square foot is calculated based on the above and is applied to the company's store size. It is considered appropriate to recognise the entirety of the provision at inception of the lease on the basis of past experience in the sector.

#### 3 Operating profit

|                                                           | 2022              | 2021              |
|-----------------------------------------------------------|-------------------|-------------------|
|                                                           | £                 | £                 |
| Operating profit for the period is stated after charging: |                   |                   |
| Operating lease charges                                   | 621,213           | 296,219           |
|                                                           | <u>          </u> | <u>          </u> |

Auditor remuneration is borne by another group company.

**SDI (PROPCO 88) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE PERIOD ENDED 24 APRIL 2022****4 Employees**

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

**5 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:

|                                                                                                      | 2022<br>£ | 2021<br>£ |
|------------------------------------------------------------------------------------------------------|-----------|-----------|
| Profit before taxation                                                                               | -         | -         |
| Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%) | -         | -         |
| Taxation charge in the financial statements                                                          | -         | -         |

**6 Debtors**

|                                             | 2022<br>£ | 2021<br>£ |
|---------------------------------------------|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Amounts owed by group undertakings          | 726,085   | 160,399   |
| Other debtors                               | 100       | 42,036    |
| Prepayments and accrued income              | 145,566   | 598,196   |
|                                             | 871,751   | 800,631   |

**7 Creditors: amounts falling due within one year**

|                              | 2022<br>£ | 2021<br>£ |
|------------------------------|-----------|-----------|
| Trade creditors              | 586,754   | 281,058   |
| Other creditors              | 10,091    | -         |
| Accruals and deferred income | -         | 290,468   |
|                              | 596,845   | 571,526   |

**8 Provisions for liabilities**

|               | 2022<br>£ | 2021<br>£ |
|---------------|-----------|-----------|
| Dilapidations | 274,806   | 229,005   |

**SDI (PROPCO 88) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 24 APRIL 2022****8 Provisions for liabilities****(Continued)**

Movements on provisions:

|                                   | <b>Dilapidations<br/>£</b> |
|-----------------------------------|----------------------------|
| At 26 April 2021                  | 229,005                    |
| Additional provisions in the year | 45,801                     |
|                                   | <u>274,806</u>             |
| At 24 April 2022                  | <u>274,806</u>             |

**9 Share capital**

|                                                         | <b>2022<br/>Number</b> | <b>2021<br/>Number</b> | <b>2022<br/>£</b> | <b>2021<br/>£</b> |
|---------------------------------------------------------|------------------------|------------------------|-------------------|-------------------|
| <b>Ordinary share capital<br/>Issued and fully paid</b> |                        |                        |                   |                   |
| 100 Ordinary shares of £1 each                          | 100                    | 100                    | 100               | 100               |
|                                                         | <u>100</u>             | <u>100</u>             | <u>100</u>        | <u>100</u>        |

**10 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.

**11 Ultimate 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 Frasers Group plc (formerly Sports Direct International plc), who own 100% of the share capital of SDI Property Limited (the immediate 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.