

Registered number: 03097977

DUNLOP SLAZENGER GROUP LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 26 APRIL 2015

WEDNESDAY



L53TW2BD

LD3

30/03/2016

#88

COMPANIES HOUSE

DUNLOP SLAZENGER GROUP LIMITED

COMPANY INFORMATION

Directors	D M Forsey S M Nevitt K Byers M J W Ashley
Company secretary	C J Olsen
Registered number	03097977
Registered office	Unit A Brook Park East Shirebrook NG20 8RY
Independent auditors	Grant Thornton UK LLP Grant Thornton House Melton Street Euston Square London NW1 2EP

DUNLOP SLAZENGER GROUP LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 12

DUNLOP SLAZENGER GROUP LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 26 APRIL 2015

Business review

The directors consider that the company has traded consistently during the period.

The directors present their report and financial statements for the period ended 26 April 2015.

Key performance indicators

The directors consider turnover to be the key performance indicator for the company. Turnover is generated from royalties charged on license agreements with third parties for use of the companies registered trademarks.

- Turnover increased from £7,335,000 to £7,669,000.
- This increase represents growth of 4.5%

Liquidity risk

The company have access to a working capital loan facility with Sportsdirect.com Retail Limited.

Future Developments

The company is committed to the further exploitation of group owned trademarks, seeking new licensing agreements to generate income

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

D M Forsey
Director



Date: 29/03/16

DUNLOP SLAZENGER GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 26 APRIL 2015

The directors present their report and the audited financial statements for the year ended 26 April 2015.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 judgments 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.

Principal activities

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

Results and dividends

The profit for the year, after taxation, amounted to £8,146 thousand (2014 - loss £15,949 thousand).

Directors

The directors who served during the year were:

D M Forsey
S M Nevitt
K Byers
M J W Ashley

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 that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that 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.

DUNLOP SLAZENGER GROUP LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 26 APRIL 2015**

Auditors

Grant Thornton UK LLP have expressed a willingness to continue in office. In accordance with section 485 of the Companies Act 2006, a resolution to reappoint Grant Thornton will be proposed at the Annual General Meeting.

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.

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke, likely representing the name D M Forsey.

D M Forsey
Director

Date: 29/03/16

DUNLOP SLAZENGER GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DUNLOP SLAZENGER GROUP LIMITED

We have audited the financial statements of Dunlop Slazenger Group Limited for the year ended 26 April 2015, set out on pages 6 to 12. 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).

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, 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 Strategic report and 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 26 April 2015 and of its profit 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 the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

DUNLOP SLAZENGER GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DUNLOP SLAZENGER GROUP LIMITED

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.

Grant Thornton UK LLP

Marc Summers, FCA (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Grant Thornton House

Melton Street

Euston Square

London

NW1 2EP

Date: 29/03/16

DUNLOP SLAZENGER GROUP LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 26 APRIL 2015**

	Note	2015 £000	2014 £000
Turnover	2	7,669	7,355
Administrative expenses		485	(23,262)
		<hr/>	<hr/>
Operating profit/(loss)	3	8,154	(15,907)
Interest payable and similar charges	5	(8)	(42)
		<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation		8,146	(15,949)
Tax on profit/(loss) on ordinary activities	6	-	-
		<hr/>	<hr/>
Profit/(loss) for the financial year	11	8,146	(15,949)
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

The notes on pages 8 to 12 form part of these financial statements.

DUNLOP SLAZENGER GROUP LIMITED
REGISTERED NUMBER: 03097977

BALANCE SHEET
AS AT 26 APRIL 2015

	Note	£000	2015 £000	2014 £000
Current assets				
Debtors	7	2,356	13,995	
Cash at bank		1,963	24	
		<u>4,319</u>	<u>14,019</u>	
Creditors: amounts falling due within one year	8	<u>(4,212)</u>	<u>(21,926)</u>	
Net current assets/(liabilities)			107	(7,907)
Total assets less current liabilities			<u>107</u>	<u>(7,907)</u>
Provisions for liabilities				
Other provisions	9		(368)	(500)
Net liabilities			<u>(261)</u>	<u>(8,407)</u>
Capital and reserves				
Called up share capital	10		105	105
Share premium account	11		890	890
Other reserves	11		(3,991)	(3,991)
Profit and loss account	11		2,735	(5,411)
Shareholders' deficit	12		<u>(261)</u>	<u>(8,407)</u>

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



D M Forsey
Director

Date: 29/03/16

The notes on pages 8 to 12 form part of these financial statements.

DUNLOP SLAZENGER GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 26 APRIL 2015

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The policies are unchanged from previous years.

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 not to prepare a cash flow statement on the grounds that the ultimate parent undertaking produces a consolidated cash flow statement.

The financial statements are for a period of 52 weeks ended 26 April 2015 (2014: 52 weeks ended 27 April 2014).

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 Turnover

Income generated from trademarks and licenses is recognised on an accruals basis in accordance with the relevant agreements.

1.4 Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

1.5 Foreign currencies

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction, or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate.

1.6 Group accounts

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

1.7 Finance costs

Finance costs (principally interest and arrangement fees) of debt are recognised in the profit and loss account over the term of such investments at a constant rate on the carrying amount.

DUNLOP SLAZENGER GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 26 APRIL 2015**

2. Turnover

An analysis of turnover by class of business is as follows:

	2015 £000	2014 £000
United Kingdom	7,669	7,355

All turnover arose within the United Kingdom.

3. Operating profit/(loss)

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

	2015 £000	2014 £000
Difference on foreign exchange	(16,035)	1,693
Impairment of intercompany debtor balance	20,524	19,870

4. Staff costs

The company has no employees other than the directors, who did not receive any remuneration (2014 - £NIL).

5. Interest payable

	2015 £000	2014 £000
On bank loans and overdrafts	8	42

DUNLOP SLAZENGER GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 26 APRIL 2015**

6. Taxation

	2015 £000	2014 £000
UK corporation tax charge on profit/loss for the year/period	-	-

Factors affecting tax charge for the year/period

The tax assessed for the year/period is lower than (2014: the same as) the standard rate of corporation tax in the UK of 21% (2014: 23%). The differences are explained below:

	2015 £000	2014 £000
Profit/loss on ordinary activities before tax	8,146	(15,949)
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014: 23%)	1,711	(3,668)
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	(1)	2
Group relief	(4,197)	772
Transfer pricing adjustments	2,487	2,894
Current tax charge for the year/period (see note above)	-	-

7. Debtors

	2015 £000	2014 £000
Amounts owed by parent and subsidiary undertakings	2,056	10,255
Other debtors	300	300
Prepayments and accrued income	-	3,440
	2,356	13,995

**8. Creditors:
Amounts falling due within one year**

	2015 £000	2014 £000
Amounts owed to parent and subsidiary undertakings	1,750	20,064
Corporation tax	1,862	1,862
Accruals and deferred income	600	-
	4,212	21,926

DUNLOP SLAZENGER GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 26 APRIL 2015

9. Provisions

	Provisions for liabilities £000
At 27 April 2014	500
Amounts used	(132)
At 26 April 2015	<u>368</u>

Provisions for liabilities

The above provisions relate to expected re-structuring costs to our US business and an ongoing legal case.

10. Share capital

	2015 £000	2014 £000
Authorised		
10,000 Deferred Ordinary shares of £0.01 each	-	-
140,000 Ordinary shares of £0.10 each	14	14
946,190 Ordinary A shares of £0.10 each	95	95
	<u>109</u>	<u>109</u>
Allotted, called up and fully paid		
9,864 (2014 - 9,900) Deferred Ordinary shares of £0.01 each	-	-
98,632 Ordinary shares of £0.10 each	10	10
946,188 Ordinary A shares of £0.10 each	95	95
	<u>105</u>	<u>105</u>

Rights to dividends

Any dividend declared by the company, to a cumulative amount of £2.3 million per annum since incorporation, will be paid out 1% to the holders of deferred shares and 99% to holders of the 'A' ordinary shares. Any dividend declared over and above this cumulative amount will be distributed pari passu between the holders of the 'A' ordinary shares and ordinary shares.

Priority and amounts receivable in the event of winding up

In the event of winding up, the assets of the company available for distribution, after the settlement of all liabilities and the cost of winding up, shall be distributed between the ordinary, deferred and 'A' ordinary shareholders.

Voting rights

'A' ordinary shares and ordinary shares each carry one vote. Deferred shares carry no voting rights.

DUNLOP SLAZENGER GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 26 APRIL 2015

11. Reserves

	Share premium account £000	Other reserves £000	Profit and loss account £000
At 27 April 2014	890	(3,991)	(5,411)
Profit for the financial year	-	-	8,146
At 26 April 2015	890	(3,991)	2,735

12. Reconciliation of movement in shareholders' deficit

	2015 £000	2014 £000
Opening shareholders' (deficit)/funds	(8,407)	7,542
Profit/(loss) for the financial year/period	8,146	(15,949)
Closing shareholders' deficit	(261)	(8,407)

13. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

14. 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 company. MASH Holdings Limited indirectly hold the majority of shares in Sports Direct International plc (the immediate parent company).

Sports Direct International plc is the smallest company 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.