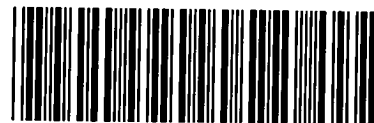


Company Registration No. 08142409 (England and Wales)

**RANGERS RETAIL LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 24 APRIL 2016**

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COMPANIES HOUSE

# **RANGERS RETAIL LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	P Murray D C King J Barnes N Conway	(Appointed 4 June 2015) (Appointed 3 June 2016) (Appointed 13 June 2016)
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<b>Secretary</b>	C J Olsen
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<b>Company number</b>	08142409
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<b>Registered office</b>	Unit A Brook Park East Shirebrook NG20 8RY
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<b>Auditor</b>	Grant Thornton UK LLP Grant Thornton House Melton Street Euston Square London NW1 2EP
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# **RANGERS RETAIL LIMITED**

## **CONTENTS**

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	<b>Page</b>
Directors' report	1 - 2
Independent auditor's report	3 - 4
Statement of comprehensive income	5
Statement of financial position	6
Statement of changes in equity	7
Statement of cash flows	8
Notes to the financial statements	9 - 18

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# **RANGERS RETAIL LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 24 APRIL 2016**

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

#### **Principal activities**

The principal activity of the company was the retail of branded sports and leisure goods.

#### **Directors**

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

D M Forsey	(Resigned 3 June 2016)
P Murray	
D C King	(Appointed 4 June 2015)
M J W Ashley	(Appointed 3 November 2015 and resigned 3 June 2016)
J Barnes	(Appointed 3 June 2016)
N Conway	(Appointed 13 June 2016)

#### **Results and dividends**

Profit for the financial year amounted to £967,784 (2015: £2,173,528). The reduction in profit comes as a result of the decrease in the volume of sales.

A dividend of £850,000 was approved and paid by the directors in the year (2015: £2,740,000). Since the year end, a further dividend of £620,000 has been proposed and paid.

#### **Going concern and settlement agreement**

On 21 June 2017 an agreement was reached between the shareholders (being The Rangers Football Club Limited and SDI Retail Services Limited) (and their related parties) and the company in relation to a number of disputes and claims between the parties. This agreement represented full and final settlement and closure of all outstanding claims in existence. These had previously been referred to in the 2015 financial statements.

The directors have yet to formally decide on the future of the company, but can confirm that as at the date of approval of these financial statements they have a reasonable expectation that the company has adequate resources to continue in operational existence, and to settle all obligations as they fall due, for a period of at least one year from the date of these financial statements. For this reason the directors have prepared the accounts on a going concern basis.

There have been no adjustments to figures presented in the FY 16 financial statements as a result of this settlement. The disclaimer of opinion that was included in the 2015 audit report has been removed as the issue to which this related has been resolved.

#### **Auditor**

In accordance with the company's articles, a resolution proposing that Grant Thornton UK LLP be reappointed as auditor of the company will be put at a General Meeting.

# **RANGERS RETAIL LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 24 APRIL 2016**

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### **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, comprising FRS 102 "The Financial Standard applicable in the UK and Republic of Ireland", and applicable law (UK Generally Accepted Accounting Practice). 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;
- state whether applicable UK accounting standards have been followed, comprising FRS 102, 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.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

### **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.

The company has taken advantage of the small company exemption provided by Section 415A of the Companies Act 2006 not to prepare a strategic report.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



.....  
J Barnes

Director

21 JULY 2017  
.....

# **RANGERS RETAIL LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF RANGERS RETAIL LIMITED**

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We have audited the financial statements of Rangers Retail Limited for the year ended 24 April 2016 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flow and the related notes. 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 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.

#### **Respective responsibilities of directors and auditor**

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**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **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 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **RANGERS RETAIL LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF RANGERS RETAIL LIMITED**

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### **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.
- the directors were not entitled to prepare financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

*Grant Thornton UK LLP*

**Philip Westerman (Senior Statutory Auditor)**  
for and on behalf of Grant Thornton UK LLP

*21 July 2017*  
.....

**Chartered Accountants  
Statutory Auditor**

Grant Thornton House  
Melton Street  
Euston Square  
London  
NW1 2EP

# RANGERS RETAIL LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 24 APRIL 2016

	Notes	2016 £	2015 £
Turnover		2,578,343	4,262,342
Cost of sales		(2,229,054)	(3,455,121)
<b>Gross profit</b>		<b>349,289</b>	<b>807,221</b>
Distribution costs		-	(27,557)
Administrative expenses		(235,090)	13,900
Other operating income		1,097,906	1,935,651
<b>Profit on ordinary activities before taxation</b>	<b>3</b>	<b>1,212,105</b>	<b>2,729,215</b>
Taxation on profit on ordinary activities	<b>5</b>	(244,321)	(555,687)
<b>Profit for the financial year</b>		<b>967,784</b>	<b>2,173,528</b>

There was no other comprehensive income for the year (2015: £nil). All activities relate to continuing operations.

The notes on pages 9 to 18 form part of these financial statements.



# RANGERS RETAIL LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 24 APRIL 2016

	Notes	2016 £	£	2015 £	£
<b>Current assets</b>					
Inventory	9	39,962		299,365	
Debtors	10	67,494		574,483	
Cash at bank and in hand		1,877,088		1,334,940	
		<u>1,984,544</u>		<u>2,208,788</u>	
<b>Creditors: amounts falling due within one year</b>	11	(1,186,214)		(1,550,242)	
<b>Net current assets</b>			798,330		658,546
<b>Provisions for liabilities</b>	12		(152,000)		(130,000)
<b>Net assets</b>			<u>646,330</u>		<u>528,546</u>
<b>Capital and reserves</b>					
Called up share capital	15		200		200
Profit and loss account			646,130		528,346
<b>Total equity</b>			<u>646,330</u>		<u>528,546</u>

The financial statements were approved by the board of directors and authorised for issue on 21 JULY 2017 and are signed on its behalf by:

  
J Barnes  
Director

Company Registration No. 08142409

# RANGERS RETAIL LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 24 APRIL 2016

	Notes	Called up share capital £	Profit and loss account £	Total Equity £
<b>Balance at 28 April 2014</b>		100	1,094,818	1,094,918
<b>Period ended 26 April 2015:</b>				
Profit and total comprehensive income for the year		-	2,173,528	2,173,528
Issue of share capital	15	100	-	-
Dividends	6	-	(2,740,000)	(2,740,000)
<b>Balance at 26 April 2015</b>		200	528,346	528,546
<b>Period ended 24 April 2016:</b>				
Profit and total comprehensive income for the year		-	967,784	967,784
Dividends	6	-	(850,000)	(850,000)
<b>Balance at 24 April 2016</b>		200	646,130	646,330

# RANGERS RETAIL LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 24 APRIL 2016

	Notes	2016 £	£	2015 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	20	1,689,352		1,358,627	
Income taxes paid		(297,204)		(2,205)	
<b>Net cash inflow from operating activities</b>		<b>1,392,148</b>		<b>1,356,422</b>	
<b>Net cash used in investing activities</b>			-		-
<b>Financing activities</b>					
Dividends paid		(850,000)		(2,740,000)	
<b>Net cash used in financing activities</b>		<b>(850,000)</b>		<b>(2,740,000)</b>	
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>542,148</b>		<b>(1,383,578)</b>	
Cash and cash equivalents at beginning of year		1,334,940		2,718,518	
<b>Cash and cash equivalents at end of year</b>		<b>1,877,088</b>		<b>1,334,940</b>	

# **RANGERS RETAIL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 24 APRIL 2016**

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### **1 Accounting policies**

#### **Company Information**

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

These financial statements for the year ended 24 April 2016 are the first financial statements of Rangers Retail Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 28 April 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### **1.2 Going concern and settlement agreement**

On 21 June 2017 an agreement was reached between the shareholders (being The Rangers Football Club Limited and SDI Retail Services Limited) (and their related parties) and the company in relation to a number of disputes and claims between the parties. This agreement represented full and final settlement and closure of all outstanding claims in existence. These had previously been referred to in the 2015 financial statements.

The directors have yet to formally decide on the future of the company, but can confirm that as at the date of approval of these financial statements they have a reasonable expectation that the company has adequate resources to continue in operational existence, and to settle all obligations as they fall due, for a period of at least one year from the date of these financial statements. For this reason the directors have prepared the accounts on a going concern basis.

There have been no adjustments to figures presented in the FY16 financial statements as a result of this settlement. The disclaimer of opinion that was included in the 2015 audit report has been removed as the issue to which this related has been resolved.

# RANGERS RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 24 APRIL 2016

---

### 1 Accounting policies

(Continued)

#### 1.3 Turnover

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied stated net of discounts, returns and VAT.

##### Retail Revenue

Revenue is recognised daily at the point of sale based on summarised EPOS data direct from tills. Retail sales are usually in cash, by debit card or by credit card.

Given the retail nature of the business, the right of return is implicit within the consumer's statutory rights. There is no explicit right of return conferred upon any particular goods apart from this. The accounting treatment, in terms of recognising the revenue immediately upon the sale, and not waiting for a specific return period to elapse, therefore appears to be reasonable.

**NOTE: Retail sales of Rangers products made in Sports Direct stores are included in Rangers Retail Limited revenue, not in Sports Direct revenue.**

##### Online Revenue

For goods sold online, revenue is recognised at the point that the risks and rewards of the goods are transferred to the customer, which is at the point of delivery. Customers make payment for goods via debit/credit card or paypal and prior to picking the goods it is confirmed the customer has the relevant funds. Once this is confirmed the goods are picked from the warehouse and on dispatch they are put through the EPOS system at which point the revenue is recognised.

##### License Revenue

Income generated from licenses is recognised on an accruals basis in accordance with the relevant agreements or on a transactional basis when revenue is linked to sale or purchase volumes.

#### 1.4 Inventory

Stocks are valued at lower of cost and net realisable value. Cost includes the purchase price of the manufactured products, materials, direct labour, transport costs and a proportion of applicable overheads. Cost is calculated using weighted average cost. Net realisable value is based on the estimated selling price less estimated selling costs. Provision is made for obsolete, slow-moving or defective items where appropriate.

#### 1.5 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 and 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.

#### 1.6 Taxation

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

# **RANGERS RETAIL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 24 APRIL 2016**

---

### **1 Accounting policies**

**(Continued)**

#### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income 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.

#### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the statement of comprehensive income except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.7 Provisions**

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

#### **1.8 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.9 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

#### **1.10 Other Operating Income**

Income generated from licence is recognised on an accruals basis in accordance with the relevant agreements or on a transactional basis when revenue is linked to sale or purchase volumes.

# RANGERS RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 24 APRIL 2016

### 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.

#### Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### Provision for onerous contracts

The basis of the estimation of the provisioning for dilapidations and onerous contracts is detailed in the provisions accounting policy. Estimates 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. Where an onerous contract has been identified, the assets dedicated to that contract are impaired.

### 3 Operating profit

	2016	2015
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(174)	256
Fees payable to the company's auditor for the audit of the company's financial statements	20,000	15,500
Operating lease charges	368	(415,293)

### 4 Employees

There were no employees during the period. Wages and salaries were recharged from Sportsdirect.com Retail Limited. Rangers Retail Limited has no direct employees.

Their aggregate remuneration comprised:

	2016	2015
	£	£
Wages and salaries	110,302	232,105
Social security costs	1,254	11,629
Pension costs	379	1,269
	<u>111,935</u>	<u>245,003</u>

No directors remuneration has been charged in these accounts.

# RANGERS RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 24 APRIL 2016

### 5 Taxation

	2016 £	2015 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	244,321	569,526
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	(13,839)
<b>Total tax charge</b>	244,321	555,687

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

	2016 £	2015 £
Profit before taxation	1,212,105	2,729,215
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 21.00%)	242,421	573,135
Adjustments in respect of prior years	-	(419)
Capital allowances	-	(3,190)
<b>Taxation for the year</b>	242,421	569,526

### 6 Dividends

	2016 £	2015 £
<b>Dividends on non-equity shares:</b>		
Interim dividend @ £4,250 per share (2015: £13,700 per share)	850,000	2,740,000



# RANGERS RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 24 APRIL 2016

### 7 Tangible assets

	Fixtures, fittings & equipment £
<b>Cost</b>	
At 27 April 2015	56,276
Disposals	(56,276)
At 24 April 2016	-
<b>Depreciation</b>	
At 27 April 2015	56,276
Eliminated in respect of disposals	(56,276)
At 24 April 2016	-
<b>Net book value</b>	
At 24 April 2016	-
At 26 April 2015	-

### 8 Financial instruments

	2016 £	2015 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	4,528	77,126
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	374,341	685,486

### 9 Inventory

	2016 £	2015 £
Finished goods and goods for resale	39,962	299,365

# RANGERS RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 24 APRIL 2016

### 10 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	4,328	54,229
Amounts due from group undertakings	-	11,397
Other debtors	32,291	93,819
Prepayments and accrued income	30,875	415,038
	<u>67,494</u>	<u>574,483</u>

Trade debtors disclosed above are measured at amortised cost.

### 11 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	183,518	53,677
Amounts due to group undertakings	-	538,780
Corporation tax	811,873	864,756
Other creditors	44,510	-
Accruals and deferred income	146,313	93,029
	<u>1,186,214</u>	<u>1,550,242</u>

### 12 Provisions for liabilities

	2016 £	2015 £
Provision for onerous contract	<u>152,000</u>	<u>130,000</u>

Movements on provisions:

	Provision for onerous contract £
At 27 April 2015	130,000
Additional provisions in the year	22,000
At 24 April 2016	<u>152,000</u>

The provision for an onerous contract refers to an obligation of Rangers Retail Limited to purchase stock at a cost higher than its net realisable value for the 2015/16 season.

# RANGERS RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 24 APRIL 2016

### 13 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2016 £	Assets 2015 £
<b>Balances:</b>		
(Decelerated)/accelerated capital allowances	13,839	13,839

There were no deferred tax movements in the year.

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

### 14 Retirement benefit schemes

	2016 £	2015 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	379	1,269

The company contributes towards a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 15 Share capital

	2016 £	2015 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
200 ordinary shares of £1 each	200	200

Comprising of:

- 98 A shares - SDI Retail Services Limited
- 51 B shares - SDI Retail Services Limited
- 51 B shares - The Rangers Football Club Limited

49 A shares and 51 B shares issued to SDI Retail Services Limited were issued incorrectly. The incorrectly issued shares were ascertained after the period covered by this annual report and financial statements. The shareholders have agreed to proceed on the basis that these shares should attract no rights or entitlements and be disregarded until such time as they are cancelled.

### 16 Events after the reporting date

The dispute between The Rangers Football Club Limited (TRFC) and the company over the alleged breach and termination of IP license and rights agreement entered into on 27th January 2015 (the IP agreement) was settled post year end.

Please see note 1.2 on Page 9 of this report for more details.

# RANGERS RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 24 APRIL 2016

### 17 Related party transactions

The Rangers Football Club Limited is a related party of Rangers Retail Limited by virtue of its 51% ownership of Rangers Retail Limited.

Sportsdirect.com Retail Limited and Etail Limited are related parties of Rangers Retail Limited through common directors and by virtue of both entities being controlled by Sports Direct International Plc, the ultimate parent company of SDI Retail Services Limited, owner of a 49% shareholding in Rangers Retail Limited.

For the period ended 24 April 2016:

	Sales	Purchases	Trade and other receivables	Trade and other payables
Rangers Football Club Limited	-	100,500	-	30,812
Sportsdirect.com Retail Limited	-	2,117,566	-	153,821
Etail Services Limited	-	-	-	-

For the period ended 26 April 2015:

	Sales	Purchases	Trade and other receivables	Trade and other payables
Rangers Football Club Limited	-	254,213	-	52,995
Sportsdirect.com Retail Limited	-	3,864,639	-	478,023
Etail Services Limited	-	14,645	-	800

### 18 Controlling party

The ultimate controlling party was Rangers International Football Club plc, by virtue of its 100% ownership of The Rangers Football Club Limited, which holds 51% ownership of the company.

For the year ended 24 April 2016, The Rangers Football Club Limited was the smallest company and The Rangers International Football Club plc was the largest company to consolidate these accounts. Both the Rangers Football Club Limited and The Rangers International Football Club plc are companies registered in Scotland. A copy of the respective group accounts can be obtained from Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

### 19 First time adoption of FRS 102

The company transitioned to FRS 102 from UK GAAP as at 28 April 2014. The estimates as at 28 April 2014 and 26 April 2015 are consistent with those made for the same dates in accordance with UK GAAP. 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 presented under UK GAAP, including the balance sheet as at 28 April 2014 and the financial statements as at and for the period ended 26 April 2015.

# **RANGERS RETAIL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 24 APRIL 2016**

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### **20 Cash generated from operations**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Profit for the year	967,784	2,173,528
<b>Adjustments for:</b>		
Taxation charged	244,321	555,687
Increase/(decrease) in provisions	22,000	(869,988)
<b>Movements in working capital:</b>		
Decrease/(increase) in inventory	259,403	(140,376)
Decrease/(increase) in debtors	456,761	(403,259)
(Decrease)/increase in creditors	(260,917)	43,035
<b>Cash generated from operations</b>	<b>1,689,352</b>	<b>1,358,627</b>