REGISTERED NUMBER: 12659342 (England and Wales)

Strategic Report, Directors' Report and

Financial Statements for the 52 week period ended 29 January 2022

for

Go Outdoors Retail Limited

Contents of the Financial Statements
for the 52 week period ended 29 January 2022

Company Information
for the 52 week period ended 29 January 2022

DIRECTORS:	L P Bagnall P A Cowgill (resigned 28 September 2022) N J Greenhalgh R Schultz (appointed 28 September 2022)
SECRETARIES:	N Cassidy (appointed 28 September 2022) S Mawdsley (resigned 22 September 2022) Oakwood Corporate Secretary Limited
REGISTERED OFFICE:	Edinburgh House Hollins Brook Way Pilsworth Bury Lancashire BL9 8RR
REGISTERED NUMBER:	12659342 (England and Wales)
AUDITORS:	KPMG LLP 1 St Peter's Square Manchester M2 3AE

Go Outdoors Retail Limited

Strategic Report
for the 52 week period ended 29 January 2022

The directors present their strategic report for the 52 week period ended 29 January 2022.

REVIEW OF BUSINESS

The Company operates retail stores and trading websites under the Go Outdoors and Fishing Republic fascia names. The Company's mission is to inspire and equip everyone for life outdoors. Whether someone is an Outdoor specialist in rock climbing, or a casual Outdoor enthusiast who likes to walk their dog, go on family treks and camping trips, the Company and the wider JD Outdoor retail banners (Go Outdoors, Naylors, Blacks, Millets, Wheelbase, Leisure Lakes and Tiso) aim to supply their every need to facilitate a life spent being active in nature, all year round.

During the year the Company made an operating profit of £21.5m (33 week period ended 30 Jan 2021: £13.5m), and a profit before tax of £21.5m (33 week period ended 30 Jan 2021: £13.5m) The Company continued to make strong progress following the administration with an elevated demand for holidays in the UK and a general recognition of the physical and mental health benefits of spending time outdoors combining to drive a strong demand for the Company's product range. The positive progress in the business is reflected in the fact that even though the majority of stores had opening restrictions or closed throughout the first quarter, revenue increased to £316.3m in the year (33 week period ended 30 Jan 2021: £160.6m). The Directors are pleased with the resilience of the Company during the year.

Whilst we are encouraged by our performance in the year, we recognise that international holidays are once again more widely available as the UK emerges out of the COVID-19 pandemic. However, we are confident that people will look to maintain a more active lifestyle and that the welcoming and engaging atmosphere in all of our stores will continue to inspire people to spend time outdoors.

The business is also now benefitting from the previous work to enhance the operational integration of the JD Outdoor businesses through common merchandising systems and shared commercial resources with gross margins increasing by 2.5% to 42.9% (33 week period ended 30 Jan 2021: 40.4%). We continually strive for further improvements in margins but the breadth of supply from the key Outdoor brands into the market and the wide availability of vertically sourced product from both specialist and non-specialist retailers means that Outdoor will inevitably remain a competitive sector. All of the Company's stock continues to be fulfilled from a separate dedicated warehouse at Middlewich, Cheshire which provides the most cost-efficient platform for the business to develop and grow.

The Company has completed the negotiations and assigned all leases from the administrator to Go Outdoors Retail Ltd following the purchase agreement of the business and assets of Go Outdoors Limited in June 2020, preserving all jobs at the date of Administration. The Company now has a positive platform from which to develop and we intend to invest in all aspects of the business to provide an instore and digital experience which inspires consumers to get outdoors. We will do this by presenting authoritative product offers in key categories. This includes fishing, equestrian and cycling where we have created specialist areas under the banner names of Fishing Republic (fishing), Naylors (equestrian) and Wheelbase (cycling) in some of our stores. We will continue to focus on this strategy throughout the next financial year with capital expenditure expected to significantly increase.
The Directors are pleased with the resilient performance of the Company during the period, despite the challenges presented by the pandemic.

In assessing the performance of the Company, the Directors' make use of the following Key Performance Indicators:

	52 week Period ended 29 January 2022 £000	33 week Period ended 30 January 2021 £000
Turnover	**316,320**	160,624
Gross profit %	**42.9%**	40.4%
Operating profit	**21,509**	13,508
Profit before tax	**21,494**	13,532
Number of stores traded from	**68**	65
Number of stores with leases assigned to the Company	**64**	27

PRINCIPAL RISKS AND UNCERTAINTIES

Any business undertaking will involve some risk with many risk factors common to any business regardless of what sector it operates in. However, the Directors consider that certain risks and uncertainties are more specific to the Company and the retail sector in which it operates. These risks and uncertainties include the following:

- Market risk - the location and influence of competitors both in physical retail and online digital retail;
- Supply chain risk - undue reliance placed on a small number of suppliers;
- Sourcing risk - product sourcing from a supplier that acts in an unethical manner;
- Ability to access, and the dependence on, key brands;
- The location and influence of competitors;
- Impact of new property developments on the existing store portfolio;
- General economic factors, such as the impact of the COVID-19 pandemic on demand for outdoor activities, and;
- Seasonal weather variations.

Mitigating actions to these risks include:

Market risk - closely monitoring competitors and wider market conditions, taking appropriate actions where necessary.
- Supply chain risk - ensuring an appropriate product mix is available across the sales channels from a variety of suppliers.
- Sourcing risk - ensuring close relationships with suppliers to understand their business, thorough review of new suppliers and factory audits.

The Directors continue to endeavour to manage these risks and uncertainties to the extent possible within the business.

Financing and financial risk management

The Company's policy is to maintain a balance of funds, generated through operations and group borrowings, sufficient to meet the anticipated short and long-term financial requirements. The key risks and uncertainties in this area include:

- Foreign currency risk - a significant proportion of the Company's purchases of stock are denominated on currencies other than Sterling and the Company is therefore exposed to fluctuations in the value of foreign currencies. This risk is mitigated by the Company utilising the facilities of the wider JD Sports Fashion Plc Group in order to manage this risk.

SECTION 172(1) STATEMENT

This statement sets out how the Directors have approached and met their responsibilities under section 172 Companies Act 2006 and, in particular, how the Directors have satisfied themselves that they have acted in a way which is most likely to promote the success of the Company for the benefit of its members as a whole and having regard for stakeholders' interests.

As such, the Directors have considered (amongst other things) the likely consequences of any decision in the long term. The Directors give significant consideration via the assessment of various board papers to the likely long-term impact to the Company of any decisions made. It is the Directors' ultimate objective to deliver long term sustainable earnings growth.

Furthermore, the Directors have considered:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's business relationships with suppliers, customers and others;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the Company.

The Company is a subsidiary of JD Sports Fashion Plc and is therefore part of the JD Group. The consideration of the above points is detailed in the Strategic Report of the Annual Report and Accounts of JD Sports Fashion Plc. The Annual Report is available to the public at www.jdplc.com

BY ORDER OF THE BOARD:

N J Greenhalgh
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N J Greenhalgh - Director

Date: 31 October 2022

Go Outdoors Retail Limited

Directors' Report
for the 52 week period ended 29 January 2022

The Directors present their report with the financial statements of the Company for the 52 week period ended 29 January 2022.

DIVIDENDS
No dividends will be distributed for the period ended 29 January 2022.

DIRECTORS
The Directors shown below have held office during the whole of the period from 31 January 2021 to the date of this report.

L P Bagnall
N J Greenhalgh

Other changes in Directors holding office are as follows:

P A Cowgill resigned as a Director of the Company on 28 September 2022.

R Schultz was appointed as a Director of the Company on 28 September 2022.

POLITICAL AND CHARITABLE CONTRIBUTIONS
The Company made no political contributions or charitable donations during the period,

GOING CONCERN
The Directors have considered the resources available to the Company, including access to intercompany funds, and have concluded that the Company has sufficient financial resources. The Company's immediate parent, JD Sports Fashion Plc, has considerable financial resources, with access to a £700m syndicated committed borrowing facility as at 29 January 2022. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully, despite the current uncertain economic outlook.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts. Further information is detailed in note 2 to the financial statements

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS
Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

BY ORDER OF THE BOARD:

N J Greenhalgh

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N J Greenhalgh - Director

Date: 31 October 2022

Statement of Directors' Responsibilities for the 52 week period ended 29 January 2022

The Directors are responsible for preparing the Strategic Report, 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

KPMG LLP
1 St Peter's Square
Manchester
M2 3AE
United Kingdom

Independent auditor's report to the members of Go Outdoors Retail Limited

Opinion

We have audited the financial statements of Go Outdoors Retail Limited ("the Company") for the 52 week period ended 29 January 2022 which comprise the statement of profit and loss account and other comprehensive income, the statement of changes in equity, the balance sheet and related notes, including the accounting policies in note 2.

In our opinion the financial statements:
- give a true and fair view of the state of the Company's affairs as at 29 January 2022 and of its profit for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:
- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations - ability to detect
To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board meeting minutes.
- Considering remuneration incentive schemes and performance targets for management and Directors including the profit target for management remuneration.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account the risk of fraudulent revenue recognition, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of the Company-wide fraud risk management controls.

We also performed procedures including:
- Identifying journal entries to test based on risk criteria and corroborating the identified entries to supporting documentation. These included those revenue journals posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations
We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Directors (as required by auditing standards), and discussed with the Directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety and employment law recognising the financial nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and Directors' report

The Directors are responsible for the strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 6, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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 a Report of the Auditors 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.

Hannah Johnston

Hannah Johnston (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE

Date: 31 October 2022

Go Outdoors Retail Limited

Statement of Profit and Loss and Other Comprehensive Income
for the 52 week period ended 29 January 2022

	Notes	52 week period ended 29 January 2022 £'000	33 week period ended 30 January 2021 £'000
TURNOVER	3	316,320	160,624
Cost of sales		(180,562)	(95,751)
GROSS PROFIT		135,758	64,873
Distribution costs		(106,693)	(51,586)
Administrative expenses		(9,044)	(2,737)
		20,021	10,550
Other operating income	4	1,488	2,958
OPERATING PROFIT		21,509	13,508
Interest receivable and similar income		-	24
Interest payable and similar expenses		(15)	-
PROFIT BEFORE TAXATION	7	21,494	13,532
Tax on profit	8	(4,290)	(2,921)
PROFIT FOR THE FINANCIAL PERIOD		17,204	10,611
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		17,204	10,611

The notes on pages 14 to 26 form part of these financial statements

Go Outdoors Retail Limited (Registered number: 12659342)

Balance Sheet
29 January 2022

	Notes	£'000	2022 £'000	£'000	2021 £'000
FIXED ASSETS					
Tangible assets	9		18,541		22,369
CURRENT ASSETS					
Stocks	10	47,707		44,139	
Debtors	11	9,510		21,492	
Cash at bank		28,999		9,428	
		86,216		75,059	
CREDITORS					
Amounts falling due within one year	13	(55,738)		(68,928)	
NET CURRENT ASSETS			30,478		6,131
TOTAL ASSETS LESS CURRENT LIABILITIES			49,019		28,500
PROVISIONS FOR LIABILITIES	15		(3,315)		-
NET ASSETS			45,704		28,500
CAPITAL AND RESERVES					
Called up share capital	16		-		-
Merger reserve	19		17,889		17,889
Retained earnings			27,815		10,611
SHAREHOLDERS' FUNDS			45,704		28,500

The financial statements were approved by the Board of Directors and authorised for issue on 31 October 2022 and were signed on its behalf by:

N J Greenhalgh

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N J Greenhalgh - Director

Go Outdoors Retail Limited

Statement of Changes in Equity
for the 52 week period ended 29 January 2022

	Called up share capital £'000	Retained earnings £'000	Merger reserve £'000	Total equity £'000
Balance at 10 June 2020	-	-	17,889	17,889
Changes in equity				
Total comprehensive income	-	10,611	-	10,611
Balance at 30 January 2021	-	10,611	17,889	28,500
Changes in equity				
Total comprehensive income	-	17,204	-	17,204
Balance at 29 January 2022	-	27,815	17,889	45,704

The notes on pages 14 to 26 form part of these financial statements

1. STATUTORY INFORMATION

Go Outdoors Retail Limited is a private company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements were prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The financial statements are prepared on the historical cost basis and are presented in pounds sterling, rounded to the nearest thousand. In accordance with allowable FRS 102 exemptions the Company has taken advantage of the exemption under section 7 "Statement of Cash Flows" from the requirement to present a cash flow statement and related notes and disclosures.

The Company's immediate parent undertaking, JD Sports Fashion Plc includes the Company in its consolidated financial statements. The consolidated financial statements of JD Sports Fashion Plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the address in note 20.

Going concern
The financial statements have been prepared on a going concern basis, which the Directors consider to be appropriate for the following reasons.

The Directors have performed a going concern assessment for the period to January 2024, including preparation of profit forecasts and consideration of the cash position of the Company, which indicates that, taking account of reasonably possible downsides and the anticipated impact of COVID-19 and the UK economic environment on the operations and its financial resources, the Company will have sufficient funds, through funding from its immediate parent Company, JD Sports Fashion Plc, to meet its liabilities as they fall due for that period. The Company's immediate parent has considerable financial resources, with access throughout the forecast period to a £700 million syndicated committed borrowing facility as at 1 August 2022 (of which £nil was drawn down).

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

continued...

2. ACCOUNTING POLICIES - continued

Critical accounting judgements and key sources of estimation uncertainty
The preparation of financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The judgements, estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are discussed below.

(i) Provisions to write stocks down to net realisable value
The Company makes provisions for obsolescence, mark downs and shrinkage based on historical experiences and management estimates of future events. Actual outcomes could vary significantly from these estimates.

Turnover
Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods provided in the normal course of business, net of discounts and sales related taxes. In the case of goods sold through the retail stores and trading websites, revenue is recognised when goods are sold and the title has passed, less provision for returns. For online sales, title is deemed to have passed when the goods are delivered and the title and control over a product has passed to the customer.

The turnover and profit before tax are attributable to the one principal activity of the Company. The total turnover of the Company for the period has been derived from its activity wholly undertaken in the United Kingdom.

Tangible fixed assets
(i) Owned assets
Items of tangible fixed assets are stated at cost less accumulated depreciation and impairment losses. Where parts of an item of tangible fixed assets have different useful economic lives, they are accounted for as separate items.

(ii) Depreciation
Depreciation is charged to the Profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

- Improvements to property	life of lease on a straight-line basis
- Fixtures and fittings	7 years or length of lease if shorter, on a straight-line basis
- Motor vehicles	4 years on a straight-line basis
- Computer equipment	4 years on a straight-line basis

continued...

2. **ACCOUNTING POLICIES - continued**

Grant income
Furlough income from the Government Coronavirus Job Retention Scheme (CJRS) is recognised when it can be reliably measured, which the Company considers to be on receipt. In accordance with FRS 102 paragraph 24.5D, the Company recognises grant income on a systematic basis over the periods in which the Company recognises the related costs for which the grant is intended to compensate, using the accrual model. The Company presents grant income separately within other income, ensuring grant income is not offset against related expenditure.

After the financial period end, the parent Company (JD Sports Fashion Plc) repaid £24.4 million of furlough income that the Group received from the UK Government in the year ended 29 January 2022. This repayment will be borne solely by JD Sports Fashion Plc. The repayment included furlough income that Go Outdoors Retail Limited received in the 52 week period ended 29 January 2022 and is disclosed in note 4 of these financial statements.

Stocks
Stocks are stated at the lower of cost and net realisable value. Cost is based on the weighted average principle. Provisions are made for obsolescence, mark downs and shrinkage.

Financial instruments
The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

continued...

2. **ACCOUNTING POLICIES - continued**

Financial assets

Trade and other debtors

Trade and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through profit or loss are measured at fair value.

Trade and other creditors

Trade and other creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled. Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Foreign currency translation

Transactions in foreign currencies are translated into sterling at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss account. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

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2. ACCOUNTING POLICIES - continued

Impairment
The carrying amounts of the Company's assets other than stocks and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account.

Taxation
Tax on the profit for the period comprises current and deferred tax.

(i) Current tax
Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

(ii) Deferred tax
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences in respect of the initial recognition of assets or liabilities that affect neither accounting nor taxable profit are not provided for. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Retirement benefits
For defined contribution schemes the amount charged to profit or loss is contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

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.

3. TURNOVER

Turnover is attributable to the one principal activity of the Company, and in just a single geographical market, being the United Kingdom. As such, further segregation of the turnover amount is not required.

continued...

4. OTHER OPERATING INCOME

	52 week period ended 29 January 2022 £'000	33 week period ended 30 January 2021 £'000
Grant income from the CJRS	1,050	2,014
Miscellaneous other income	287	750
LLP profit share	151	194
	1,488	2,958

Grant income represents furlough income from the Government Coronavirus Job Retention Scheme (CJRS). The Company's accounting policy relating to grant income is stated in note 2 of the financial statements.
After the financial period end, the parent Company (JD Sports Fashion Plc) repaid £24.4 million of furlough income that the Group received from the UK Government in the year ended 29 January 2022. This repayment included £1.1 million of furlough income that Go Outdoors Retail Limited received in the period ended 29 January 2022.

LLP profit share income relates to income receivable on the Company's share of profits in Naylor's Equestrian LLP for the period ending 29 January 2022, based on the Company's 99% share in the partnership profits.

5. EMPLOYEES AND DIRECTORS

	52 week period ended 29 January 2022 £'000	33 week period ended 30 January 2021 £'000
Wages and salaries	31,840	14,689
Social security costs	1,012	871
Other pension costs	458	277
	33,310	15,837

The average number of employees during the period was as follows:

	52 week Period ended 29 January 2022	33 week period ended 30 January 2021
Sales and distribution	2,114	1,693
Administration	37	49
	2,151	1,742

The average number of full-time equivalent staff employed during the year was 1,227 (2021: 1,041)

continued...

6. DIRECTORS' EMOLUMENTS

	52 week period ended 29 January 2022 £'000	33 week Period ended 30 January 2021 £'000
Directors' emoluments	393	-
Pension contributions	15	-
	408	-

The amounts disclosed above relate to the highest paid Director. Messrs Cowgill and Greenhalgh received no remuneration from the Company in the current or prior period; these fees being borne by the Parent Company, JD Sports Fashion Plc. L Bagnall's total remuneration for the 52 week period ended 29 January 2022 was borne 75% by Go Outdoors Retail Limited, and 25% by Blacks Outdoor Retail Limited, a fellow 100%-owned subsidiary of JD Sports Fashion Plc. For the 33 week period ended 30 January 2021, L Bagnall's total remuneration was borne 100% by Blacks Outdoor Retail Limited.

7. PROFIT BEFORE TAXATION

Profit before tax is stated after charging/(crediting):

	52 week Period ended 29 January 2022 £'000	33 week Period ended 30 January 2021 £'000
Auditor's remuneration		
Audit of these financial statements	101	59
Depreciation and amortisation of fixed assets:		
Depreciation of tangible fixed assets	7,438	2,742
Impairment of tangible fixed assets	685	2,195
Rentals payable under non-cancellable operating leases for:		
Land and buildings	14,486	9,170
Equipment and vehicle leasing	198	49
Loss/(profit) on disposal of fixed assets	531	(28)

continued...

8. TAXATION

Analysis of the tax charge
The tax charge on the profit for the period was as follows:

	52 week period ended 29 January 2022 £'000	33 week period ended 30 January 2021 £'000
Current tax:		
UK corporation tax	4,983	3,287
Prior period adjustments	26	-
Total current tax	5,009	3,287
Deferred tax:		
Deferred tax	(930)	(366)
Prior period adjustments	211	-
Total deferred tax	(719)	(366)
Tax on profit	4,290	2,921

Reconciliation of total tax charge included in profit and loss
The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	52 week period ended 29 January 2022 £'000	33 week period ended 30 January 2021 £'000
Profit before tax	21,494	13,532
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	4,084	2,571
Effects of:		
Expenses not deductible for tax purposes	28	-
Adjustments to tax charge in respect of previous periods	237	-
Movement in deferred tax not provided for	-	170
Depreciation and impairment of non-qualifying non-current assets	202	77
Change in deferred tax rate	(261)	-
Other permanent differences	-	103
Total tax charge	4,290	2,921

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8. TAXATION - continued

The Finance Bill 2021 included an increase to the UK corporation tax rate to 25% from 19% from 1 April 2023 for certain companies. This increase was substantially enacted on 24 May 2021, therefore the deferred tax asset and liability have been calculated based on a rate of 25%. On 23 September 2022 the Chancellor of the Exchequer announced that the corporation tax rate will remain at 19% from 1 April 2023, reversing a previously enacted measure to increase the rate to 25%. This reversal in the tax rate from 1 April 2023 has not been enacted or substantively enacted and accordingly has no impact on the tax balances at 29 January 2022. The potential impact of this change on the deferred tax balances at 29 January 2022 is expected to be immaterial.

9. TANGIBLE FIXED ASSETS

	Improvements to property £'000	Fixtures and fittings £'000	Motor vehicles £'000	Computer equipment £'000	Totals £'000
COST					
At 31 January 2021	19,146	6,783	13	1,364	27,306
Additions	546	3,881	-	198	4,625
Disposals	-	(1,058)	-	-	(1,058)
Reclassification/transfer	(2,169)	2,011	2	156	-
At 29 January 2022	17,523	11,617	15	1,718	30,873
DEPRECIATION					
At 31 January 2021	1,342	2,841	5	749	4,937
Charge for period	917	6,065	5	451	7,438
Eliminated on disposal	-	(728)	-	-	(728)
Impairments	-	685	-	-	685
Reclassification/transfer	3,951	(3,861)	3	(93)	-
At 29 January 2022	6,210	5,002	13	1,107	12,332
NET BOOK VALUE					
At 29 January 2022	11,313	6,615	2	611	18,541
At 30 January 2021	17,804	3,942	8	615	22,369

The impairment charge for the period represents the write down of store related fixtures and fittings to their appropriate value-in-use.

10. STOCKS

	2022 £'000	2021 £'000
Stocks	47,707	44,139

The cost of stocks recognised as expenses and included in cost of sales for the 52-week period ended 29 January 2022 was £180,562,000 (2021: £95,751,000).

Goods held for resales are stated after stock provisions of £5,170,000 (2021: £3,664,000).
Cost of stocks includes a net charge of £1,505,000 (2021: £3,664,000) in relation to net provisions recognised against stocks.

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11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £'000	2021 £'000
Trade debtors	311	16,746
Amounts owed by group undertakings	1,426	1,730
Other debtors	808	194
Deferred tax asset (see note 12)	1,090	371
Prepayments and accrued income	5,875	2,451
	9,510	21,492

Amounts owed by group undertakings are unsecured and are repayable on demand, and due to be paid within the next 12 months.

12. DEFERRED TAX ASSET

	Assets 2022 £'000	Assets 2021 £'000	Liabilities 2022 £'000	Liabilities 2021 £'000	Net 2022 £'000	Net 2021 £'000
Tangible fixed assets	1,090	371	-	-	1,090	371

The deferred tax asset as at 30 January 2021 and at 29 January 2022 is included within debtors. The movement in the balance is shown below. The deferred tax asset is related to accelerated capital allowances in both the current and prior year.

	Deferred tax £'000
Balance at 31 January 2021	(371)
Credit to Statement of Profit and Loss and Other Comprehensive Income during period	(719)
Balance at 29 January 2022	(1,090)

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £'000	2021 £'000
Trade creditors	4,191	4,233
Amounts owed to group undertakings	20,073	37,261
Social security and other taxes	572	1,824
Sales taxes (VAT)	12,564	9,859
Accruals and deferred income	18,338	15,751
	55,738	68,928

Amounts owed to group undertakings include a loan between Go Outdoors Retail Limited and Blacks Outdoor Retail Limited, and a loan between Go Outdoors Retail Limited and JD Sports Fashion Plc, both of which are non-interest bearing and repayable on demand, but not expected to be repaid in full within the next financial year. Other amounts owed to group undertakings are unsecured and are repayable on demand

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14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022 £'000	2021 £'000
Within one year	13,863	6,745
Between one and five years	32,201	21,669
In more than five years	9,873	19,715
	55,937	48,129

Operating lease commitments are stated based on the minimum future guaranteed rentals payable under operating lease commitments.

15. PROVISIONS FOR LIABILITIES

	2022 £'000	2021 £'000
Other provisions		
Dilapidations provision	3,315	-

16. CALLED UP SHARE CAPITAL

Called up share capital

	2022 Number of ordinary shares	2022 Ordinary share capital £'000	2021 Number of ordinary shares	2021 Ordinary share capital £'000
A Ordinary shares of £1	1	-	1	-
	1	-	1	-

The capital structure of the Company comprises issued share capital and retained earnings. The policy adopted by the Directors is to seek to improve the capital base of the Company so as to maintain creditor confidence and to sustain future development of the business.

On a show of hands at a general meeting, every holder of ordinary shares present in person shall have one vote, and on a poll every member shall have one vote for each share of which he is the holder. Subject to the relevant statutory provisions and the Company's Articles of Association, holders of ordinary shares are entitled to a dividend where declared or paid out of profits available for such purposes. Subject to the relevant statutory provisions and the Company's Articles of Association, on a return of capital on a winding-up, holders of ordinary shares are entitled to participate in such a return equally in proportion to their shareholding.

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17. CAPITAL COMMITMENTS

	2022 £'000	2021 £'000
Contracted but not provided for in the financial statements	-	-

The Company has no capital commitments as at 29 January 2022 (2021: none).

18. RELATED PARTY DISCLOSURES

The Company has taken advantage of the disclosure exemption under FRS 102 not to disclose transactions with fellow wholly owned subsidiaries. There were no transactions and balances with related parties (excluding those transactions with immediate parent company, JD Sports Fashion Plc and its wholly owned subsidiaries) during the period.

Any transactions are undertaken in the ordinary course of business at arm's length. Outstanding balances on any transactions are unsecured and will be settled in cash.

Purchases of stocks from a supplier owned by Pentland Group Limited are made are made on the Company's behalf by Blacks Outdoor Retail Limited, a fellow 100% owned subsidiary of JD Sports Fashion Plc.

19. MERGER RESERVE

On 23 June 2020, the Company acquired the business and certain asset of Go Outdoors Limited (in Administration), the outdoor retailer, from its Administrator. The acquisition included the business, brand and website as well as the retail stores. Cash consideration of £56.5 million was paid on completion, via a loan from the Company's immediate parent JD Sports Fashion Plc.

On the same date, certain assets and liabilities held in Go Outdoors Limited (in Administration) transferred into the Company as a result of the purchase of the business, mainly comprising tangible fixed assets, stocks and trade and other payables.

The net impact of the acquisition of the business and the transfer in of the associated assets and liabilities led to the creation of the merger reserve of £17,889,000.

20. PARENT COMPANY

The Company is a subsidiary undertaking of JD Sports Fashion Plc, which is the smallest group in which the Company is a member and for which Group Financial Statements are drawn up. JD Sports Fashion Plc is registered in England. Copies of the consolidated financial statements of JD Sports Fashion Plc are available to the public and can be obtained from the Company Secretary, Edinburgh House, Hollins Brook Way, Pilsworth, Bury, BL9 8RR or at www.jdplc.com.

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21. ULTIMATE PARENT COMPANY

The ultimate parent undertaking is Pentland Group Holdings Limited (a company registered in Jersey). R S Rubin and his close family are considered the ultimate controlling party by virtue of their control of Pentland Group Holdings Limited.

Consolidated financial statements will be prepared by Pentland Group Holdings Limited, which is the parent undertaking of the largest group of undertakings to consolidate these financial statements for the year ended 31 December 2021. The consolidated financial statements of Pentland Group Holdings Limited can be obtained from the company's registered office at 26 New Street, St Helier, Jersey, JE2 3RA.

22. CONTINGENT LIABILITIES

It is inevitable that commercial claims and disputes may arise from time to time during the course of the Company's business. If the risk of a financial outflow arising from one of these disputes is more than remote but not probable or cannot be measured reliably then the Company will disclose this matter as a contingent liability. If the risk of a financial outflow is considered probable and can be measured reliably then the Company would make a provision for this matter.

Further, the activities of the Company are overseen by a number of regulators and, whilst the Company strives to ensure full compliance with all its regulatory obligations, periodic reviews are inevitable which may result in a financial penalty. If the risk of a financial penalty arising from one of these reviews is more than remote but not probable or cannot be measured reliably then the Company will disclose this matter as a contingent liability. If the risk of a financial penalty is considered probable and can be measured reliably then the Company would make a provision for this matter.