

Unaudited Financial Statements  
for the Year Ended 31 January 2017  
for  
Palace Skateboards Limited

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for the Year Ended 31 January 2017

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Palace Skateboards Limited

Company Information  
for the Year Ended 31 January 2017

**DIRECTORS:**

G L Skewis  
L J Tanju

**REGISTERED OFFICE:**

67/68 Hatton Garden  
Suites 11/12  
London  
EC1N 8JY

**REGISTERED NUMBER:**

08253929 (England and Wales)

**ACCOUNTANT:**

Roberts Accountancy & Tax Limited  
Gable End  
Sparrow Hall Business Park  
Leighton Road  
Edlesborough  
Bedfordshire  
LU6 2ES

Balance Sheet  
31 January 2017

	Notes	2017 £	£	2016 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		204,584		155,647
Investments	5		<u>850</u>		<u>703</u>
			205,434		156,350
<b>CURRENT ASSETS</b>					
Stocks		1,783,372		704,194	
Debtors	6	1,360,480		859,240	
Cash at bank and in hand		<u>4,764,525</u>		<u>468,593</u>	
		7,908,377		2,032,027	
<b>CREDITORS</b>					
Amounts falling due within one year	7	<u>2,282,689</u>		<u>1,047,911</u>	
<b>NET CURRENT ASSETS</b>			<u>5,625,688</u>		<u>984,116</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			5,831,122		1,140,466
<b>PROVISIONS FOR LIABILITIES</b>			<u>38,871</u>		<u>31,129</u>
<b>NET ASSETS</b>			<u>5,792,251</u>		<u>1,109,337</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			100		100
Retained earnings	9		<u>5,792,151</u>		<u>1,109,237</u>
			<u>5,792,251</u>		<u>1,109,337</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 January 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 January 2017 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Statement of income has not been delivered.

The financial statements were approved by the Board of Directors on 19 October 2017 and were signed on its behalf by:

G L Skewis - Director

Notes to the Financial Statements  
for the Year Ended 31 January 2017

**1. STATUTORY INFORMATION**

Palace Skateboards 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.

The presentation currency of the financial statements is the Pound Sterling (£).

The company's principal activity is producer and retailer of skateboarding hard goods and apparel.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

These financial statements for the year ended 31 January 2017 are the first financial statements that comply with FRS102 Section 1A small entities. The date of transition is 1 February 2014.

**Preparation of consolidated financial statements**

The financial statements contain information about Palace Skateboards Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

- |                         |                                   |
|-------------------------|-----------------------------------|
| Land and buildings      | - in accordance with the property |
| Plant and machinery etc | - 33% on cost                     |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income.

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

**Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**2. ACCOUNTING POLICIES - continued**

**Financial instruments**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans to related parties.

Financial assets are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Operating lease commitments**

Rentals paid under operating leases are charged to the Statement of Income on a straight line basis over the lease term.

**First time adoption of frs102**

The policies applied under the entity's previous accounting framework are not materially different to FRS102 and have not impacted on equity or profit or loss.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 20 .

Notes to the Financial Statements - continued  
for the Year Ended 31 January 2017

4. **TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery etc £	Totals £
<b>COST</b>			
At 1 February 2016	125,900	72,735	198,635
Additions	60,943	47,004	107,947
Disposals	-	(8,958)	(8,958)
Reclassification/transfer	5,573	(5,573)	-
At 31 January 2017	<u>192,416</u>	<u>105,208</u>	<u>297,624</u>
<b>DEPRECIATION</b>			
At 1 February 2016	12,590	30,398	42,988
Charge for year	19,640	34,233	53,873
Eliminated on disposal	-	(3,821)	(3,821)
Reclassification/transfer	3,715	(3,715)	-
At 31 January 2017	<u>35,945</u>	<u>57,095</u>	<u>93,040</u>
<b>NET BOOK VALUE</b>			
At 31 January 2017	<u>156,471</u>	<u>48,113</u>	<u>204,584</u>
At 31 January 2016	<u>113,310</u>	<u>42,337</u>	<u>155,647</u>

5. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 February 2016	703
Additions	147
At 31 January 2017	<u>850</u>
<b>NET BOOK VALUE</b>	
At 31 January 2017	<u>850</u>
At 31 January 2016	<u>703</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**Palace Skateboards Inc**

Registered office: United States of America

Nature of business: Clothes retailer

	% holding	2017 £	2016 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		(105,466)	10,462
(Loss)/profit for the year		<u>(117,373)</u>	<u>9,759</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 January 2017

5. **FIXED ASSET INVESTMENTS - continued**

**Endell Shipping Limited**

Registered office: United Kingdom  
Nature of business: Warehousing

Class of shares:	%	
Ordinary	holding	
	100.00	
		2017
		£
Aggregate capital and reserves		36,930
Profit for the year		<u>36,830</u>

**Thames-London Limited**

Registered office: United Kingdom  
Nature of business: Dormant

Class of shares:	%		
Ordinary	holding		
	50.00		
		31/5/16	31/5/15
		£	£
Aggregate capital and reserves		<u>100</u>	<u>100</u>

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017	2016
	£	£
Trade debtors	144,738	145,946
Amounts owed by group undertakings	579,355	-
Other debtors	<u>636,387</u>	<u>713,294</u>
	<u>1,360,480</u>	<u>859,240</u>

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017	2016
	£	£
Trade creditors	447,155	365,002
Taxation and social security	1,253,073	239,048
Other creditors	<u>582,461</u>	<u>443,861</u>
	<u>2,282,689</u>	<u>1,047,911</u>

8. **LEASING AGREEMENTS**

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

	2017	2016
	£	£
Within one year	155,000	70,194
Between one and five years	<u>373,945</u>	<u>314,520</u>
	<u>528,945</u>	<u>384,714</u>

9. **RESERVES**

	Retained earnings
	£
At 1 February 2016	1,109,237
Profit for the year	<u>4,682,914</u>
At 31 January 2017	<u>5,792,151</u>



Notes to the Financial Statements - continued  
for the Year Ended 31 January 2017

10. **CONTINGENT LIABILITIES**

Since the year end, the assets and undertakings of the company are subject to a fixed and floating charge as security for a debenture issued by its ultimate parent company.

11. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 31 January 2017 and 31 January 2016:

	2017 £	2016 £
<b>G L Skewis</b>		
Balance outstanding at start of year	-	-
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>68,046</u>	<u>-</u>
<b>L J Tanju</b>		
Balance outstanding at start of year	-	-
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>6,540</u>	<u>-</u>

These amounts have been repaid after the balance sheet date.

12. **RELATED PARTY DISCLOSURES**

G L Skewis is a director and 100% shareholder of Daydream Nation Limited. During the year this company charged consultancy fees of £498,333 (2016: £398,367).

L J Tanju is a director and 100% shareholder of Tanju Limited. During the year this company charged consultancy fees of £446,498 (2016: £367,500).

M J Taylor is a director and 100% shareholder of Bright Venture Consulting Limited. During the year this company was charged consultancy fees of £Nil (2016: £20,000).

Total remuneration of key management during the year was £62,820 (2016: £57,342).

Two of the directors and shareholders, G L Skewis and M J Taylor, are also directors and shareholders in Umbrella Agencies Limited. Sales and purchases have been made between the two companies during the year. All transactions are at arms length.

13. **ULTIMATE CONTROLLING PARTY**

As at the balance sheet date the company was controlled by the directors. However, with effect from 27 April 2017 the ultimate controlling party is GSLT Holdings Limited.

The directors of GSLT Holdings Limited are considered to be the ultimate controlling party by virtue of their shareholding.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.