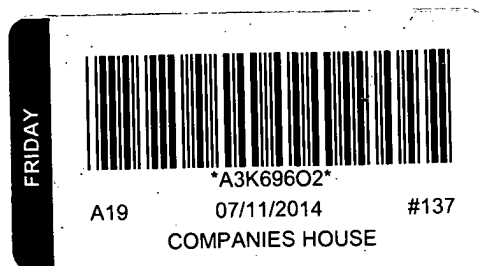


Company Registration No. 08394165 (England and Wales)

**Everlast (Group) Limited**  
**Directors' Report And Financial Statements**  
**For The Period Ended 31 May 2014**



# EVERLAST (GROUP) LIMITED

## DIRECTORS AND ADVISERS

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<b>Directors</b>	Mr M D Hunter	(Appointed 7 February 2013)
	Mr J L Cross	(Appointed 7 February 2013)
	Mr R G Barker	(Appointed 7 February 2013)
	Mr C H Bott	(Appointed 7 February 2013)
<b>Secretary</b>	Mr R G Barker	
<b>Company number</b>	08394165	
<b>Registered office</b>	The School House Parkfield Terrace Off Richardshaw Road Pudsey Leeds LS28 6BS	
<b>Registered auditors</b>	Garbutt & Elliott Audit Limited 33 Park Place Leeds LS1 2RY	

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# EVERLAST (GROUP) LIMITED

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# EVERLAST (GROUP) LIMITED

## STRATEGIC REPORT FOR THE PERIOD ENDED 31 MAY 2014

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The directors present the strategic report and financial statements for the period ended 31 May 2014.

### Review of the business

The results for the period show consolidated gross profit of £2,863,964 and pre-tax profits of £729,935. Overall, the directors are satisfied with the results of the company for the period given the difficult economic environment and are very confident that activity levels will continue to increase in the foreseeable future.

The directors are pleased with the group's net assets position of £2,403,744 at the balance sheet date.

The key business risks and uncertainties affecting the group are considered to relate to competition from other roofing contractors and economic conditions of the building industry in general.

Given the straightforward nature of the business, the group's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

The group does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures. The nature of its financial instruments means that they are not subject to a price risk or liquidity risk.

By order of the board



Mr R G Barker

**Director**

5 November 2014

# EVERLAST (GROUP) LIMITED

## DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MAY 2014

---

The directors present their report and financial statements for the period ended 31 May 2014.

### Principal Activities and Incorporation

The principal activity of the company is that of a holding company.

The company was incorporated on 7 February 2013.

On 1 June 2013 the company acquired the entire share capital of Everlast Waterproofing Limited by way of share for share exchange, and purchased the entire share capital of Everlast Rail Limited, Everlast Scaffolding Limited and Everlast Specialist Surveys Limited, at par value, for cash consideration, from Everlast Waterproofing Limited.

The financial statements present the consolidated results of the group and have been prepared under merger accounting principles.

The principal activity of the group is that of roofing and scaffolding contractors.

### Results and dividends

The consolidated profit and loss account for the period is set out on page 6.

### Post balance sheet events

Subsequent to the period end, the company purchased 12,500 Ordinary shares of £1 each, for cash consideration of £200,000, then cancelled the shares.

### Future developments

The external commercial environment is expected to remain competitive in 2014/15. Global factors such as the slow economic recovery and issues over the availability of finance, particularly in the construction market, are expected to have some impact on the company, although this is reducing. The directors are very confident that activity levels will pick up in the foreseeable future and are optimistic about the future prospects of the company.

### Directors

The following directors have held office since 7 February 2013:

Mr M D Hunter	(Appointed 7 February 2013)
Mr J L Cross	(Appointed 7 February 2013)
Mr R G Barker	(Appointed 7 February 2013)
Mr C H Bott	(Appointed 7 February 2013)
Mr T C Deighton	(Appointed 7 February 2013 and resigned 31 October 2013)

### Auditors

Garbutt & Elliott Audit Limited were appointed auditors, replacing Garbutt & Elliott LLP, and in accordance with section 487 (2) of the Companies Act 2006 are deemed to be reappointed annually.

# EVERLAST (GROUP) LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2014

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### Statement of directors' responsibilities

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). 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 group and of the profit or loss of the group 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, 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 group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors 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 group's auditors are aware of that information.

By order of the board



Mr R G Barker

Director

5 November 2014

# **EVERLAST (GROUP) LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EVERLAST (GROUP) LIMITED**

---

We have audited the group and parent company financial statements (the "financial statements") of Everlast (Group) Limited for the period ended 31 May 2014 set out on pages 6 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 May 2014 and of the group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

# EVERLAST (GROUP) LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF EVERLAST (GROUP) LIMITED

---

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

*Garbutt & Elliott Audit Limited*

**Mr Richard Green (Senior Statutory Auditor)**  
for and on behalf of Garbutt & Elliott Audit Limited

5 November 2014

**Chartered Accountants**  
**Statutory Auditor**

33 Park Place  
Leeds  
West Yorkshire  
LS1 2RY



# EVERLAST (GROUP) LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 MAY 2014

	Notes	Period ended 31 May 2014 £
Turnover	2	12,865,007
Cost of sales		(10,001,043)
<b>Gross profit</b>		<b>2,863,964</b>
Administrative expenses		(2,119,366)
<b>Operating profit</b>	3	<b>744,598</b>
Other interest receivable and similar income		1,592
Interest payable and similar charges	4	(16,255)
<b>Profit on ordinary activities before taxation</b>		<b>729,935</b>
Tax on profit on ordinary activities	5	(201,159)
<b>Profit on ordinary activities after taxation</b>	18	<b>528,776</b>

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

There are no recognised gains and losses other than those passing through the profit and loss account.

# EVERLAST (GROUP) LIMITED

## BALANCE SHEETS AS AT 31 MAY 2014

	Notes	Group 2014 £	Company 2014
<b>Fixed assets</b>			
Intangible assets	8	839,133	-
Tangible assets	9	582,301	-
Investments	10	-	100,006
		<u>1,421,434</u>	<u>100,006</u>
<b>Current assets</b>			
Stocks	11	178,464	-
Debtors	12	2,772,132	-
Cash at bank and in hand		683,638	-
		<u>3,634,234</u>	<u>-</u>
<b>Creditors: amounts falling due within one year</b>	13	(2,499,380)	(6)
<b>Net current assets</b>		<u>1,134,854</u>	<u>(6)</u>
<b>Total assets less current liabilities</b>		2,556,288	100,000
<b>Creditors: amounts falling due after more than one year</b>	14	(122,544)	-
<b>Provisions for liabilities</b>	15	(30,000)	-
		<u>2,403,744</u>	<u>100,000</u>
<b>Capital and reserves</b>			
Called up share capital	17	100,000	100,000
Merger reserves	18	600,000	-
Profit and loss account	18	1,703,744	-
<b>Shareholders' funds</b>	19	<u>2,403,744</u>	<u>100,000</u>

Approved by the Board and authorised for issue on 5 November 2014

*R. G. Barker*

Mr R G Barker  
Director

Company Registration No. 08394165

# EVERLAST (GROUP) LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MAY 2014

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	£	Period ended 31 May 2014 £
<b>Net cash inflow from operating activities</b>		1,074,023
<b>Returns on investments and servicing of finance</b>		
Interest received	1,592	
Interest paid	(16,255)	
<b>Net cash outflow for returns on investments and servicing of finance</b>		(14,663)
<b>Taxation</b>		(105,406)
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(62,180)	
Receipts from sales of tangible assets	126,881	
<b>Net cash inflow for capital expenditure</b>		64,701
<b>Equity dividends paid</b>		(324,509)
<b>Net cash inflow/(outflow) before management of liquid resources and financing</b>		694,146
<b>Capital element of hire purchase contracts</b>	(223,003)	
<b>Net cash outflow from financing</b>		(223,003)
<b>Increase/(decrease) in cash in the period</b>		471,143

---

# EVERLAST (GROUP) LIMITED

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MAY 2014

<b>1</b>	<b>Reconciliation of operating profit to net cash inflow from operating activities</b>	<b>2014</b>
		<b>£</b>
	Operating profit	744,598
	Depreciation of tangible assets	137,242
	Amortisation of intangible assets	71,416
	Loss on disposal of tangible assets	3,599
	Decrease in stocks	205,725
	(Increase)/decrease in debtors	(365,566)
	Increase/(decrease) in creditors within one year	277,009
	<b>Net cash inflow from operating activities</b>	<b>1,074,023</b>
<b>2</b>	<b>Analysis of net funds/(debt)</b>	<b>7 February 2013      Cash flow      Other non-cash changes      31 May 2014</b>
		<b>£                      £                      £</b>
	Net cash:	
	Cash at bank and in hand	212,495      471,143      -      (683,638)
	Finance leases	(235,557)      458,016      (237,743)      253,027
	Net (debt)/funds	(23,062)      929,159      (237,743)      (430,611)
<b>3</b>	<b>Reconciliation of net cash flow to movement in net funds/(debt)</b>	<b>2014</b>
		<b>£</b>
	Increase/(decrease) in cash in the period	471,143
	Cash outflow from decrease in debt	458,016
	Change in net debt resulting from cash flows	929,159
	New finance lease	(237,743)
	<b>Movement in net funds/(debt) in the period</b>	<b>453,673</b>
	Opening net (debt)/funds	(23,062)
	<b>Closing net funds/(debt)</b>	<b>430,611</b>
<b>4</b>	<b>Major non-cash transactions</b>	
	The inception of new hire purchase contracts amounting to £237,743 (2013 - £228,998) is a major non-cash transaction.	

# EVERLAST (GROUP) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2014

---

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 May 2014. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

Everlast Waterproofing Limited, Everlast Scaffolding Limited, Everlast Rail Limited and Everlast Specialist Surveys Limited became wholly owned subsidiaries of Everlast (Group) Limited on 1 June 2013 by way of group restructure. The consolidated financial statements are presented on the merger accounting basis and reflect the results of the subsidiary undertakings as if they had always been so owned. Accordingly the whole of the results, assets and liabilities and shareholders' funds of the merged companies are consolidated.

#### 1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Invoices are raised at the end of each month for goods and services provided in the month.

Profit is recognised on long term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs to date bear to total expected costs for that contract.

#### 1.5 Goodwill

True and fair override on hive-up of the subsidiary undertaking.

The trade and net assets of Everlast Waterproofing (North West) Limited (a subsidiary undertaking) were transferred at their net book value on 28 February 2006. The cost of the company's investment in that subsidiary undertaking reflected the underlying fair value of its net assets and goodwill at the time of acquisition. As a result of this transfer, the carrying value of the company's investment in that subsidiary undertaking exceeded its net realisable value. The Companies Act 2006 requires that the investment is written down accordingly and that the amount be charged as a loss to the company's profit and loss account. However, the directors consider that, as there has been no overall loss to the group, it would fail to give a true and fair view to charge the diminution to the company's profit and loss account and it should instead be allocated to goodwill and the identifiable net assets transferred so as to recognise in the company's individual balance sheet the effective cost of those net assets and goodwill. The effect on the company's balance sheet of this departure is to recognise goodwill of £1,428,314.

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 20 years.

# EVERLAST (GROUP) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2014

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### 1 Accounting policies

(Continued)

#### 1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	15% reducing balance
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% reducing balance

#### 1.7 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.9 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

#### 1.10 Pensions

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period they are payable.

#### 1.11 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### 1.12 Long term contracts

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

### 2 Turnover

The total turnover of the group for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

# EVERLAST (GROUP) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2014

---

<b>3</b>	<b>Operating profit</b>	<b>2014</b>
		<b>£</b>
	Operating profit is stated after charging:	
	Amortisation of intangible assets	71,416
	Depreciation of tangible assets	137,242
	Loss on disposal of tangible assets	3,599
	Operating lease rentals	25,500

The audit fees for the company are borne by Everlast Waterproofing Limited.

### Auditors' remuneration

Fees payable to the group's auditor for the audit of the group's annual accounts	9,700
Accounts and taxation	10,030
	<u>18,480</u>

<b>4</b>	<b>Interest payable</b>	<b>2014</b>
		<b>£</b>
	On bank loans and overdrafts	40
	Hire purchase interest	16,215
		<u>16,255</u>

# EVERLAST (GROUP) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2014

<b>5</b>	<b>Taxation</b>	<b>2014</b>
		<b>£</b>
	<b>Domestic current year tax</b>	
	U.K. corporation tax	194,753
	Adjustment for prior years	406
	<b>Total current tax</b>	<b>195,159</b>
	<b>Deferred tax</b>	
	Deferred tax charge/credit current year	6,000
		6,000
		<b>201,159</b>
	<b>Factors affecting the tax charge for the period</b>	
	Profit on ordinary activities before taxation	729,935
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23%	167,885
	Effects of:	
	Non deductible expenses	20,825
	Depreciation add back	47,991
	Capital allowances	(39,285)
	Adjustments to previous periods	406
	Other tax adjustments	(2,663)
		<b>27,274</b>
	<b>Current tax charge for the period</b>	<b>195,159</b>

### 6. Profit for the financial Period

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial Period is made up as follows:

	<b>2014</b>
	<b>£</b>
Holding company's profit for the financial Period	324,509



# EVERLAST (GROUP) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2014

<b>7</b>	<b>Dividends</b>				<b>2014</b>
					<b>£</b>
	Ordinary interim paid				324,509
<b>8</b>	<b>Intangible fixed assets</b>				
	<b>Group</b>				<b>Goodwill</b>
					<b>£</b>
	<b>Cost</b>				
	At 7 February 2013 & at 31 May 2014				1,428,314
	<b>Amortisation</b>				
	At 7 February 2013				517,765
	Charge for the period				71,416
	At 31 May 2014				589,181
	<b>Net book value</b>				
	At 31 May 2014				839,133
<b>9</b>	<b>Tangible fixed assets</b>				
	<b>Group</b>				
		<b>Plant and machinery</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Cost</b>				
	At 7 February 2013	136,968	150,647	654,463	942,078
	Additions	29,988	4,312	268,353	302,653
	Disposals	-	-	(242,603)	(242,603)
	At 31 May 2014	166,956	154,959	680,213	1,002,128
	<b>Depreciation</b>				
	At 7 February 2013	68,383	78,460	247,865	394,708
	On disposals	-	-	(112,123)	(112,123)
	Charge for the period	11,429	11,062	114,751	137,242
	At 31 May 2014	79,812	89,522	250,493	419,827
	<b>Net book value</b>				
	At 31 May 2014	87,144	65,437	429,720	582,301
	At 31 May 2013	68,585	72,187	406,598	547,370

# EVERLAST (GROUP) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2014

### 9 Tangible fixed assets

(Continued)

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Net book values</b>				
At 31 May 2014	-	-	367,750	367,750
At 31 May 2013	-	-	359,589	359,589
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation charge for the period</b>				
At 31 May 2014	-	-	71,948	71,948
At 31 May 2013	-	-	113,018	113,018
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 10 Fixed asset investments Company

	Shares in group undertakings £
<b>Cost</b>	
At 7 February 2013	-
Additions	100,006
	<u>          </u>
At 31 May 2014	100,006
	<u>          </u>
<b>Net book value</b>	
At 31 May 2014	100,006
	<u>          </u>

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
<b>Subsidiary undertakings</b>			
Everlast Waterproofing Limited	England & Wales	Ordinary	100.00
Everlast Scaffolding Limited	England & Wales	Ordinary	100.00
Everlast Rail Limited	England & Wales	Ordinary	100.00
Everlast Specialist Surveys Limited	England & Wales	Ordinary	100.00

The principal activity of these undertakings for the last relevant financial year was as follows:

# EVERLAST (GROUP) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2014

### 10 Fixed asset investments

(Continued)

	Principal activity
Everlast Waterproofing Limited	Roofing contractors
Everlast Scaffolding Limited	Scaffolding contractors
Everlast Rail Limited	Dormant
Everlast Specialist Surveys Limited	Dormant

On 1 June 2013 the company acquired the whole of the issued Ordinary share capital of Everlast Waterproofing Limited, by way of share for share exchange, and purchased the whole of the issued Ordinary share capital of Everlast Rail Limited, Everlast Scaffolding Limited and Everlast Specialist Surveys Limited, at par value, for cash consideration, from Everlast Waterproofing Limited.

### 11 Stocks and work in progress

	Group 2014 £	Company 2014 £
Raw materials and consumables	34,265	-
Work in progress	144,199	-
	<u>178,464</u>	<u>-</u>

### 12 Debtors

	Group 2014 £	Company 2014 £
Trade debtors	2,741,485	-
Corporation tax	2,500	-
Other debtors	4,221	-
Prepayments and accrued income	23,926	-
	<u>2,772,132</u>	<u>-</u>

# EVERLAST (GROUP) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2014

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

	Group 2014 £	Company 2014 £
Net obligations under finance lease and hire purchase contracts	130,483	-
Trade creditors	1,664,332	-
Amounts owed to group undertakings	-	6
Corporation tax	194,753	-
Taxes and social security costs	354,346	-
Other creditors	32,076	-
Accruals and deferred income	123,390	-
	<u>2,499,380</u>	<u>6</u>

Hire purchase creditors are secured against the assets to which they relate. The total amount of creditors for which security has been given amounted to £130,483 (2013 - £141,716).

### 14 Creditors : amounts falling due after more than one year

	Group 2014 £	Company 2014 £
Net obligations under finance leases and hire purchase agreements	<u>122,544</u>	<u>-</u>
<b>Net obligations under finance leases and hire purchase contracts</b>		
Repayable within one year	130,483	-
Repayable between one and five years	122,544	-
	<u>253,027</u>	<u>-</u>
Included in liabilities falling due within one year	(130,483)	-
	<u>122,544</u>	<u>-</u>

Hire purchase creditors are secured against the assets to which they relate. The total amount of creditors for which security has been given amounted to £122,544 (2013 - £100,422).

# EVERLAST (GROUP) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2014

### 15 Provisions for liabilities Group

	Deferred taxation £
Balance at 7 February 2013	24,000
Profit and loss account	6,000
	<u>30,000</u>
Balance at 31 May 2014	<u>30,000</u>

The deferred tax liability is made up as follows:

	Group 2014 £	Company 2014 £
Accelerated capital allowances	<u>30,000</u>	<u>-</u>

### 16 Pension and other post-retirement benefit commitments

#### Defined contribution

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents the following:

	2014 £
Contributions payable by the group for the period	<u>34,100</u>

### 17 Share capital

	2014 £
<b>Allotted, called up and fully paid</b>	
100,000 Ordinary of £1 each	<u>100,000</u>

During the year the company issued 100,000 Ordinary shares of £1 each, at par, as part of a share for share exchange.

# EVERLAST (GROUP) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2014

### 18 Statement of movements on reserves Group

	Merger reserves £	Profit and loss account £
Balance at 7 February 2013	600,000	1,499,477
Profit for the period	-	528,776
Dividends paid	-	(324,509)
Balance at 31 May 2014	<u>600,000</u>	<u>1,703,744</u>

### Company

	Profit and loss account £
Profit for the period	324,509
Dividends paid	(324,509)
Balance at 31 May 2014	<u>-</u>

# EVERLAST (GROUP) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2014

<b>19</b>	<b>Reconciliation of movements in shareholders' funds</b>	<b>2014</b>
	<b>Group</b>	<b>£</b>
	Profit for the financial period	528,776
	Dividends	(324,509)
	Net addition to/(depletion in) shareholders' funds	204,267
	Opening shareholders' funds	2,199,477
	Closing shareholders' funds	2,403,744
	<b>Company</b>	<b>2014</b>
		<b>£</b>
	Profit for the financial Period	324,509
	Dividends	(324,509)
	Proceeds from issue of shares	100,000
	Net addition to shareholders' funds	100,000
	Opening shareholders' funds	-
	Closing shareholders' funds	100,000

## 20 Financial commitments

At 31 May 2014 the group had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>
	<b>2014</b>
	<b>£</b>
Expiry date:	
Within one year	9,600
In over five years	5,196
	14,796

# EVERLAST (GROUP) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2014

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<b>21</b>	<b>Directors' remuneration</b>	<b>2014</b>
		<b>£</b>
	Remuneration for qualifying services	189,482
	Company pension contributions to defined contribution schemes	26,500
		<hr/>
		215,982
		<hr/>

### 22 Employees

#### Number of employees

The average monthly number of employees (including directors) during the period was:

	<b>2014</b>
	<b>Number</b>
Roofers	11
Scaffolders	2
Administration and management	28
	<hr/>
	41
	<hr/>

#### Employment costs

	<b>2014</b>
	<b>£</b>
Wages and salaries	1,247,694
Social security costs	156,625
Other pension costs	34,100
	<hr/>
	1,438,419
	<hr/>

### 23 Control

In the opinion of the directors, there is no controlling party.

### 24 Post Balance Sheet Events

#### Group

Subsequent to the period end, the company purchased 12,500 Ordinary shares of £1 each, for cash consideration of £200,000, then cancelled the shares.

#### Company

Subsequent to the year end, the company purchased 12,500 Ordinary shares of £1 each, for cash consideration of £200,000, then cancelled the shares.