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Safety + Survival Systems  
International Group Limited

**Safety & Survival Systems  
International (Holdings) Limited**

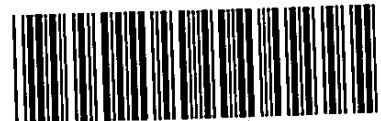
Report and Financial Statements

Period Ended

31 December 2014

Company Number 09002736

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# **Safety & Survival Systems International (Holdings) Limited**

## **Report and financial statements for the period ended 31 December 2014**

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### **Directors**

B W D Connolly  
D J Baxter  
I D Grant  
D T Lonsdale  
J P Jeffers

### **Registered office**

10 Slingsby Place, St Martin's Courtyard, London, WC2E 9AB

### **Company number**

09002736

### **Auditors**

BDO LLP, Arcadia House, Maritime Walk, Ocean Village, Southampton, SO14 3TL

# **Safety & Survival Systems International (Holdings) Limited**

## **Strategic report for the period ended 31 December 2014**

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The directors present their strategic report together with the audited financial statements for the period ended 31 December 2014

### **Principal activities, review of business and future developments**

The Company's principal activity is that of a holding company. The Group's principal activity is the manufacture, supply and servicing of marine safety and survival equipment. During the period under review, the Company acquired three entities - these are set out in note 21 of the financial statements. Given the acquisitive nature of the Company, the directors are satisfied with the results for the period and expect levels of trading to improve in the foreseeable future.

### **Key performance indicators**

The Group's key performance indicators include turnover and operating profit which are set out on page 6 of the financial statements.

### **Principal risks and uncertainties**

The market for marine safety equipment remains competitive. The Group seeks to manage the risk of losing customers to key competitors (both within the UK and worldwide) by the provision of a balanced and enhanced portfolio of products, added value services to customers, and improving lead times in the supply of products. These activities are undertaken principally by its subsidiary undertakings, Ocean Safety Limited, Typhoon International Limited and Revere Survival Inc.

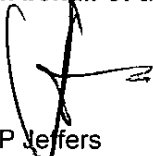
### **Financial Instruments**

The Group monitors cash flow as part of its day to day control procedures. The Board considers cash flow projections on a monthly basis and ensures that appropriate facilities are available to the company as necessary.

The Group's credit risk is primarily attributable to its trade debtors. Credit risk is managed by running credit checks on new customers and by monitoring payments against contractual agreements.

The Group trades with customers and suppliers in foreign currency. The Group manages the risk of exposure to fluctuations in foreign currency rates by regularly reviewing rates and, if considered appropriate, purchasing foreign currency to take advantage of favourable rates.

### **On behalf of the board**



J P Jeffers  
Director

30 April 2015

# **Safety & Survival Systems International (Holdings) Limited**

## **Report of the directors for the period ended 31 December 2014**

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The directors present their report together with the audited financial statements for the period ended 31 December 2014

### **Results and dividends**

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

The directors do not recommend the payment of a final dividend for the period ended 31 December 2014

### **Financial risk management**

The financial risks arising from the company's activities, and how these are monitored are commented upon in the strategic report

### **Directors**

The directors of the company during the period and up to date of approval of the financial statements were

B W D Connolly (appointed 21 July 2014)

G J McCutcheon (appointed 14 July 2014, resigned 31 March 2015)

D J Baxter (appointed 13 May 2014)

I D Grant appointed 13 May 2014)

D T Lonsdale (appointed 17 April 2014)

J P Jeffers (appointed 31 March 2015)

### **Directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and company 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 group and company 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,
- 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.

# **Safety & Survival Systems International (Holdings) Limited**

## **Report of the directors for the period ended 31 December 2014 (*continued*)**

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### **Auditors**

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP were appointed as auditors during the period and have expressed their willingness to continue in office.

### **On behalf of the board**



**J. P. Jeffers  
Director**

30 April 2015

# **Safety & Survival Systems International (Holdings) Limited**

## **Independent auditor's report**

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### **To the members of Safety & Survival Systems International (Holdings) Limited**

We have audited the financial statements of Safety & Survival Systems International (Holdings) Limited for the period ended 31 December 2014 which comprise the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

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

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

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2014 and of the group's loss 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 matters 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.

# Safety & Survival Systems International (Holdings) Limited

## Independent auditor's report (*continued*)

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

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

- adequate accounting records have not been kept 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



*Christopher Driver (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
Southampton  
United Kingdom*

30 April 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

# Safety & Survival Systems International (Holdings) Limited

## Consolidated profit and loss account for the period ended 31 December 2014

		Continuing operations	Acquisitions	Total
		Period ended	Period ended	Period ended
	Note	31 December 2014	31 December 2014	31 December 2014
		£	£	£
Turnover	2	-	8,308,656	8,308,656
Cost of sales		-	5,612,640	5,612,640
<b>Gross profit</b>		-	2,696,016	2,696,016
Administrative expenses		405,510	3,130,999	3,536,509
		(405,510)	(434,983)	(840,493)
Other operating income		3,793	-	3,793
<b>Group operating loss</b>	3	(401,717)	(434,983)	(836,700)
Other interest receivable and similar income				6,572
Interest payable and similar charges	6			(878,717)
<b>Loss on ordinary activities before taxation</b>				(1,708,845)
Taxation on loss on ordinary activities	7			(27,319)
<b>Loss on ordinary activities after taxation</b>				(1,736,164)

All amounts relate to continuing activities

All recognised gains and losses in the current period are included in the profit and loss account

The notes on pages 10 to 31 form part of these financial statements



# Safety & Survival Systems International (Holdings) Limited

## Consolidated balance sheet at 31 December 2014

Company number 09002736

	Note	31 December 2014 £	31 December 2014 £
<b>Fixed assets</b>			
Intangible assets	9		9,723,903
Tangible assets	10		974,759
			<hr/> 10,698,662
<b>Current assets</b>			
Stocks	12	5,043,433	
Debtors	13	3,448,235	
Cash at bank and in hand		4,000,375	
		<hr/> 12,492,043	
<b>Creditors: amounts falling due within one year</b>	14	5,391,186	
		<hr/>	
<b>Net current assets</b>			7,100,857
			<hr/>
<b>Total assets less current liabilities</b>			17,799,519
<b>Creditors: amounts falling due after more than one year</b>	15	18,324,231	
<b>Provisions for liabilities</b>	16	227,452	
		<hr/>	
			18,551,683
			<hr/>
			(752,164)
			<hr/>
<b>Capital and reserves</b>			
Called up share capital	18		261,300
Share premium account	19		722,700
Profit and loss account	19		(1,736,164)
			<hr/>
<b>Shareholders' deficit</b>	20		(752,164)
			<hr/>

The financial statements were approved by the board of directors and authorised for issue on 30 April 2015

  
J P. Jeffers  
Director

The notes on pages 10 to 31 form part of these financial statements

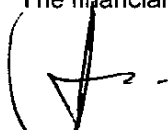
# Safety & Survival Systems International (Holdings) Limited

## Company balance sheet at 31 December 2014

Company number 09002736

	Note	31 December 2014 £	31 December 2014 £
<b>Fixed assets</b>			
Fixed asset investments	11		1
<b>Current assets</b>			
Debtors	13	1,104,835	
<b>Creditors: amounts falling due within one year</b>	14	<u>192,837</u>	
<b>Net current assets</b>			<u>911,998</u>
<b>Total assets less current liabilities</b>			<u>911,999</u>
<b>Capital and reserves</b>			
Called up share capital	18		261,300
Share premium account	19		722,700
Profit and loss account	19		<u>(72,001)</u>
<b>Shareholders' funds</b>	20		<u>911,999</u>

The financial statements were approved by the board of directors and authorised for issue on 30 April 2015

  
J P Jeffers  
Director

The notes on pages 10 to 31 form part of these financial statements

# Safety & Survival Systems International (Holdings) Limited

## Consolidated cashflow statement for the period ended 31 December 2014

	Note	Period ended 31 December 2014 £	Period ended 31 December 2014 £
<b>Net cash outflow from operating activities</b>	24		(180,562)
<b>Returns on investments and servicing of finance</b>			
Interest received		6,572	
Interest paid hire purchase		(240)	
		<hr/>	
<b>Net cash inflow from returns on investments and servicing of finance</b>			6,332
<b>Taxation</b>			
Corporation tax paid			(59,553)
<b>Capital expenditure and financial investment</b>			
Payments to acquire intangible fixed assets		(15,558)	
Payments to acquire tangible fixed assets		(305,604)	
		<hr/>	
<b>Net cash outflow from capital expenditure and financial investment</b>			(321,162)
<b>Acquisitions and disposals</b>			
Purchase of business operations		(14,979,170)	
Cash acquired with business operation		2,528,307	
		<hr/>	
<b>Net cash outflow from acquisitions and disposals</b>			(12,450,863)
			<hr/>
<b>Cash outflow before use of financing</b>			(13,005,808)
<b>Financing</b>			
Share capital issued		261,300	
Share premium thereon		722,700	
New loans		18,467,569	
Loans repaid		(1,655,442)	
Capital element of finance leases repaid		(2,184)	
Loan arrangement fees paid		(787,760)	
		<hr/>	
<b>Net cash inflow from financing</b>			17,006,183
			<hr/>
<b>Increase in cash</b>	25		4,000,375
			<hr/> <hr/>

The notes on pages 10 to 31 form part of these financial statements

# Safety & Survival Systems International (Holdings) Limited

## Notes forming part of the financial statements for the period ended 31 December 2014

### 1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards

The following principal accounting policies have been applied

#### *Basis of consolidation*

The consolidated financial statements incorporate the results of Safety & Survival Systems International (Holdings) Limited and all of its subsidiary undertakings as at 31 December 2014 using the acquisition or merger method of accounting as required. Where the acquisition method is used, the results of subsidiary undertakings are included from the date of acquisition

No minority interest is accounted for on non-wholly owned subsidiaries where there are restricted rights attached to the minority interest ownership of these subsidiaries and there is an agreement in place for the minority shareholders to sell and the Group to buy the remaining shares and where the deferred consideration for the remaining shares is fixed and payable in line with a contractual agreement

#### *Goodwill*

Goodwill arising on the acquisition of a subsidiary undertaking or trade and asset purchase is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Positive goodwill is capitalised and amortised through the profit and loss account over the directors' estimate of its useful economic life which is 5 to 7 years. Impairment tests on the carrying value of goodwill are undertaken

- at the end of the first full financial year following acquisition,
- in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable

Where subsidiary undertakings are acquired with an option to acquire the remaining share capital at a set future date, the directors will consider the substance of the transaction under FRS 5 "Reporting the Substance of Transactions" in determining the effective ownership of the company for consolidation purposes

#### *Turnover*

Turnover represents the fair value of the consideration received or receivable for the sale of goods and rendering of services to external customers at invoiced amounts less value added tax or local taxes on sales

The Group recognises revenue when the significant risks and rewards of possession have passed to the customer, usually on dispatch

#### *Depreciation*

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets, except for investment properties and freehold land, evenly over their expected useful lives. It is calculated at the following rates

Freehold property	- 2%
Leasehold property	- 10%-20%
Plant and machinery	- 7.5%-20%
Motor vehicles	- 25%
Fixtures and fittings	- 5%-33%

# Safety & Survival Systems International (Holdings) Limited

## Notes forming part of the financial statements for the period ended 31 December 2014 (*continued*)

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### 1 Accounting policies (*continued*)

#### *Stocks*

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

#### *Foreign currency*

Foreign currency transactions of individual companies are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any differences are taken to the profit and loss account.

The results of overseas operations are translated at the average rates of exchange during the year and the balance sheet translated into sterling at the rates of exchange ruling on the balance sheet date. Exchange differences which arise from translation of the opening net assets and results of foreign subsidiary undertakings are taken to reserves.

All other differences are taken to the profit and loss account with the exception of differences on foreign currency borrowings used to finance or provide a hedge against foreign equity investments, which are taken directly to reserves to the extent of the exchange difference arising on the net investment in these enterprises. Tax charges or credits that are directly and solely attributable to such exchange differences are also taken to reserves.

#### *Finance costs*

Finance costs are charged to profit over the term of the debt so that the amount charged is at a constant rate on the carrying amount. Finance costs include issue costs, which are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### *Deferred taxation*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that

- deferred tax is not recognised on timing differences arising on revalued properties unless the group has entered into a binding sale agreement and is not proposing to take advantage of rollover relief, and
- the recognition of deferred tax assets is limited to the extent that the group anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances arising from underlying timing differences in respect of tax allowances on industrial buildings are reversed if and when all conditions for retaining those allowances have been met.

Deferred tax balances are not discounted.

# Safety & Survival Systems International (Holdings) Limited

## Notes forming part of the financial statements for the period ended 31 December 2014 (continued)

### 1 Accounting policies (continued)

#### *Leased assets*

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account over the shorter of estimated useful economic life and the period of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

#### *Pension costs*

Contributions to the group's defined contribution pension scheme are charged to the profit and loss account in the period in which they become payable.

#### *Intangible Fixed Assets*

Intangible fixed assets are amortised over their estimated useful life of between 3-5 years.

### 2 Turnover

Turnover is wholly attributable to the principal activity of the group.

The analysis of turnover by geographical market required by paragraph 68 of Schedule 1 to the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 has not been provided as, in the opinion of the directors, such disclosure would be seriously prejudicial to the interests of the group.

### 3 Operating loss

	Period ended 31 December 2014 £
This is arrived at after charging/(crediting)	
Depreciation of tangible fixed assets	87,922
Amortisation of positive goodwill	966,831
Amortisation of other intangible fixed assets	389
Hire of plant and machinery - operating leases	275
Hire of other assets - operating leases	176,468
Fees payable to the company's auditor or an associate of the company's auditor for the auditing of the company's annual accounts	33,000
Exchange differences	(104,754)

# Safety & Survival Systems International (Holdings) Limited

Notes forming part of the financial statements  
for the period ended 31 December 2014 (*continued*)

## 4 Employees

Staff costs (including directors) consist of

	Group Period ended 31 December 2014 £
Wages and salaries	1,839,388
Social security costs	183,818
Other pension costs	56,669
	<hr/>
	2,079,875
	<hr/>

The average number of employees (including directors) during the period was as follows

	Group Period ended 31 December 2014 Number
Production	116
Administration	81
	<hr/>
	197
	<hr/>

# Safety & Survival Systems International (Holdings) Limited

Notes forming part of the financial statements  
for the period ended 31 December 2014 (*continued*)

## 5 Directors' remuneration

Period  
ended  
31 December  
2014  
£

Directors' emoluments	356,053
Company contributions to money purchase pension schemes	45,800

There were 2 directors in the group's defined contribution pension scheme during the period

The total amount payable to the highest paid director in respect of emoluments was £101,961

## 6 Interest payable and similar charges

Period  
ended  
31 December  
2014  
£

Bank loans and overdrafts	80,908
All other loans (excluding loans from group companies)	797,569
Finance leases and hire purchase contracts	240

878,717



# Safety & Survival Systems International (Holdings) Limited

Notes forming part of the financial statements  
for the period ended 31 December 2014 (*continued*)

## 7 Taxation on loss on ordinary activities

	Period ended 31 December 2014 £
<i>UK Corporation tax</i>	
Current tax on profits of the period	44,523
<i>Deferred tax</i>	
Origination and reversal of timing differences	(17,204)
	<hr/>
Taxation on loss on ordinary activities	27,319
	<hr/>

The tax assessed for the period is higher than the standard rate of corporation tax in the UK applied to loss before tax. The differences are explained below.

	Period ended 31 December 2014 £
Loss on ordinary activities before tax	(1,708,845)
	<hr/>
Loss on ordinary activities at the standard rate of corporation tax in the UK of 21%	(358,857)
Effect of	
Expenses not deductible for tax purposes	231,602
Fixed asset timing differences	9,195
Unrelieved tax losses carried forward	193,713
R&D tax relief	(1,143)
Other timing differences	(29,987)
	<hr/>
Current tax charge for the period	44,523
	<hr/>

## 8 Profit for the financial year

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The group loss for the period includes a loss after tax of £72,001 which is dealt with in the financial statements of the parent company.

# Safety & Survival Systems International (Holdings) Limited

Notes forming part of the financial statements  
for the period ended 31 December 2014 (*continued*)

## 9 Intangible fixed assets

### Group

	Consolidated Goodwill £	Other intangible fixed assets £	Purchased Goodwill £	Total £
<i>Cost or valuation</i>				
Additions and at 31 December 2014	8,193,715	42,659	2,454,749	10,691,123
<i>Amortisation</i>				
Provided for the period and at 31 December 2014	856,367	389	110,464	967,220
<i>Net book value</i>				
At 31 December 2014	7,337,348	42,270	2,344,285	9,723,903

# Safety & Survival Systems International (Holdings) Limited

Note forming part of the financial statements  
for the period ended 31 December 2014 (*continued*)

<b>10 Tangible fixed assets</b>						
<b>Group</b>						
<i>Cost or valuation</i>	Freehold land and buildings £	Leasehold land and buildings £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Additions	-	5,667	49,513	27,774	140,675	223,629
Acquisition of subsidiary	365,005	52,693	199,628	134,048	87,678	839,052
Disposals	-	-	-	(12,330)	-	(12,330)
<b>At 31 December 2014</b>	<b>365,005</b>	<b>58,360</b>	<b>249,141</b>	<b>149,492</b>	<b>228,353</b>	<b>1,050,351</b>
<i>Depreciation</i>						
Provided for the period	(9,995)	10,612	33,919	38,262	15,124	87,922
Disposals	-	-	-	(12,330)	-	(12,330)
<b>At 31 December 2014</b>	<b>(9,995)</b>	<b>10,612</b>	<b>33,919</b>	<b>25,932</b>	<b>15,124</b>	<b>75,592</b>
<i>Net book value</i>						
<b>At 31 December 2014</b>	<b>375,000</b>	<b>47,748</b>	<b>215,222</b>	<b>123,560</b>	<b>213,229</b>	<b>974,759</b>

# Safety & Survival Systems International (Holdings) Limited

Notes forming part of the financial statements  
for the period ended 31 December 2014 (*continued*)

## 10 Tangible fixed assets (*continued*)

Included in cost or valuation of land and buildings is freehold land of £146,250 which is not depreciated

The net book value of, and depreciation charge for the period on, tangible fixed assets includes assets held under finance leases and hire purchase contracts as follows

	Group 31 December 2014 £	Company 31 December 2014 £
<i>Net book value</i>		
Motor vehicles	20,775	-
	<hr/>	<hr/>
<i>Depreciation charged</i>		
Motor vehicles	1,898	-
	<hr/>	<hr/>

## 11 Fixed asset investments

### Company

	Group undertakings £
<i>Cost or valuation</i>	
Additions and at 31 December 2014	1
	<hr/>

# Safety & Survival Systems International (Holdings) Limited

Notes forming part of the financial statements  
for the period ended 31 December 2014 (continued)

## 11 Fixed asset investments (continued)

*Subsidiary undertakings, associated undertakings and other investments*

The principal undertakings in which the company's interest at the period end is 20% or more are as follows

<i>Subsidiary undertakings and company number</i>	<b>Country of incorporation or registration</b>	<b>Class of share capital held</b>	<b>Proportion of share capital held</b>	<b>Nature of business</b>	<b>Last year end</b>
Safety and Survival Systems International (Group) Limited (09002734) *	United Kingdom	Ordinary	100%	Holding company	31/12/2014
Safety and Survival Systems International Limited (09002738) * **	United Kingdom	Ordinary	100%	Holding company	31/12/2014
Besse & Mill Limited **	United Kingdom	Ordinary	100%	Holding company	31/12/2014
Ocean Safety Limited **	United Kingdom	Ordinary	100%	Marketing and servicing of marine equipment	31/12/2014
OS Marine Limited **	United Kingdom	Ordinary	100%	Dormant	31/12/2014
Parmaris Limited **	United Kingdom	Ordinary	100%	Dormant	31/12/2014
Typhoon Holdings Limited **	United Kingdom	Ordinary	80%	Dormant	31/12/2014
Typhoon International Limited **	United Kingdom	Ordinary	80%	Manufacture and distribution of safety, survival and watersports equipment	31/12/2014
Safety and Survival Systems International Holdings Inc **	United States of America	Ordinary	100%	Holding company	31/12/2014
Revere Survival Inc **	United States of America	Ordinary	100%	Manufacture and distribution of safety, survival and watersports equipment	31/12/2014
Revere Property Holdings Inc **	United States of America	Ordinary	100%	Dormant	31/12/2014

\*These companies were entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. Accordingly, the individual financial statements of these companies have not been audited. The company number for these companies has been stated above.

\*\* Investment held via a subsidiary company

# Safety & Survival Systems International (Holdings) Limited

Notes forming part of the financial statements  
for the period ended 31 December 2014 (*continued*)

## 12 Stocks

	Group 31 December 2014 £	Company 31 December 2014 £
Work in progress	2,484,023	-
Finished goods and goods for resale	2,559,410	-
	<u>5,043,433</u>	<u>-</u>

There is no material difference between the replacement cost of stocks and the amounts stated above

## 13 Debtors

	Group 31 December 2014 £	Company 31 December 2014 £
Amounts receivable within one year		
Trade debtors	2,032,176	-
Amounts owed by group undertakings	-	984,000
Other debtors	1,140,800	-
Prepayments and accrued income	275,259	20,835
	<u>3,448,235</u>	<u>1,004,835</u>
Amounts receivable after more than one year		
Amounts owed by group undertakings	-	100,000
	<u>3,448,235</u>	<u>1,104,835</u>

# Safety & Survival Systems International (Holdings) Limited

Notes forming part of the financial statements  
for the period ended 31 December 2014 (*continued*)

## 14 Creditors: amounts falling due within one year

	Group 31 December 2014 £	Company 31 December 2014 £
Bank loans (secured)	481,250	-
Bank loan arrangement fees	(47,389)	-
Trade creditors	1,930,866	-
Amounts owed to group undertakings	-	186,587
Corporation tax	171,823	-
Other taxation and social security	138,578	-
Obligations under finance lease and hire purchase contracts	5,451	-
Other creditors	761,325	-
Accruals and deferred income	1,949,282	6,250
	<u>5,391,186</u>	<u>192,837</u>

Bank loans are secured by a debenture with a fixed and floating charge over the assets of the company and certain subsidiaries. Interest is charged at LIBOR plus an applicable margin.

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

	Group 31 December 2014 £	Company 31 December 2014 £
Bank loans (secured)	7,518,750	-
Other loans	11,420,000	-
Bank loan arrangement fees	(740,371)	-
Other creditors	125,852	-
	<u>18,324,231</u>	<u>-</u>

# Safety & Survival Systems International (Holdings) Limited

## Notes forming part of the financial statements for the period ended 31 December 2014 (continued)

### 15 Creditors: amounts falling due after more than one year (continued)

#### Maturity of debt

	Loans and overdrafts 31 December 2014 £	Finance leases 31 December 2014 £
In one year or less, or on demand	481,250	5,451
In more than one year but not more than two years	7,518,750	-
In more than five years	11,420,000	-
	<b>18,938,750</b>	<b>-</b>

Bank loans are secured by a debenture with a fixed and floating charge over the assets of the company and certain subsidiaries. Interest is charged at LIBOR plus an applicable margin.

Within other loans are three loans totalling £11,420,000 which fall due after five years and are all repayable on 31 May 2021. Interest is charged at 12%.

### 16 Provisions for liabilities

#### Group

	Deferred taxation £	Warranty provision £	Total £
Credited to profit and loss account	(17,202)	-	(17,202)
Utilised in period	-	(11,551)	(11,551)
Undertaking acquired	55,122	201,083	256,205
At 31 December 2014	<b>37,920</b>	<b>189,532</b>	<b>227,452</b>



# Safety & Survival Systems International (Holdings) Limited

## Notes forming part of the financial statements for the period ended 31 December 2014 *(continued)*

### 16 Provisions for liabilities *(continued)*

#### *Deferred taxation*

	Group 31 December 2014 £	Company 31 December 2014 £
Accelerated capital allowances	46,974	-
Sundry timing differences	(9,054)	-
	<u>37,920</u>	<u>-</u>

A subsidiary of the company has agreed to take on obligations in respect of a number of products previously manufactured by another party. The warranty provision above represents the balance of amounts received from that party in respect of assuming warranty obligations for historic sales.

### 17 Pensions

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 charge amounted to £56,669. There were outstanding contributions of £45,267 included in accruals.

### 18 Share capital

	31 December 2014 £
<i>Allotted, called up and fully paid</i>	
730,000 Ordinary A Shares of 1 pence each	7,300
35,000 Ordinary B Shares of £1 each	35,000
35,000 Ordinary C Shares of £1 each	35,000
184,000 Ordinary D Shares of £1 each	184,000
	<u>261,300</u>

On the 17 April 2014 1 Ordinary A Share of £1 was issued for a consideration of £100 and then on 13 May 2014 this share was redenominated to 100 shares of 1 pence each. On the same date a further 729,900 Ordinary A Shares were issued for a consideration of £729,900, 35,000 Ordinary B Shares, 35,000 Ordinary C Shares and 30,000 Ordinary D shares were all issued at par in exchange for £100,000 of loan notes. An additional 100,000 Ordinary D Shares were also issued at par for cash. On 14 July 2014 a further 24,000 Ordinary D Shares were issued at par for cash. On 21 July 2014 an additional 30,000 D Ordinary Shares were issued at par for cash.

# Safety & Survival Systems International (Holdings) Limited

Notes forming part of the financial statements  
for the period ended 31 December 2014 *(continued)*

## 19 Reserves

### Group

	Share premium account £	Profit and loss account £
Premium on shares issued during the period	722,700	-
Loss for the period	-	(1,736,164)
	<u>722,700</u>	<u>(1,736,164)</u>
At 31 December 2014	<u>722,700</u>	<u>(1,736,164)</u>

### Company

	Share premium account £	Profit and loss account £
Premium on shares issued during the period	722,700	-
Loss for the period	-	(72,001)
	<u>722,700</u>	<u>(72,001)</u>
At 31 December 2014	<u>722,700</u>	<u>(72,001)</u>

## 20 Reconciliation of movements in shareholders' (deficit)/funds

	Group 31 December 2014 £	Company 31 December 2014 £
Loss for the period	(1,736,164)	(72,001)
Issue of shares	261,300	261,300
Premium on shares issued during the period	722,700	722,700
	<u>(752,164)</u>	<u>911,999</u>
Net (deductions from)/additions to shareholders' (deficit)/funds	(752,164)	911,999
Opening shareholders' funds	-	-
	<u>(752,164)</u>	<u>911,999</u>
Closing shareholders' (deficit)/funds	<u>(752,164)</u>	<u>911,999</u>

# Safety & Survival Systems International (Holdings) Limited

**Notes forming part of the financial statements  
for the period ended 31 December 2014 (continued)**

## 21 Acquisitions

### *Acquisition of Besse & Mill Limited*

On 13 May 2014 Safety and Survival Systems International Limited, one of the company's subsidiaries, acquired 100% of the share capital of the Besse & Mill Limited group which included Ocean Safety Limited, OS Marine Limited and Parmaris Limited

In calculating the goodwill arising on acquisition, the fair value of the net assets of Besse & Mill Limited have been assessed and adjustments from book value have been made where necessary. These adjustments are summarised in the following table

	<b>Book and fair value £</b>
Fixed assets	
Tangible	290,575
Current assets	
Stocks	1,404,484
Debtors	1,959,834
Cash at bank and in hand	2,506,332
	<hr/>
Total assets	6,161,225
Creditors	
Due within one year	2,067,304
	<hr/>
Total assets less current liabilities	4,093,921
Provisions	
Deferred tax	27,859
	<hr/>
Net assets	4,066,062
	<hr/>
	<b>£</b>
Cash consideration (including expenses of £768,371)	8,898,371
Non cash consideration	1,750,000
Net assets acquired	4,066,062
	<hr/>
Goodwill arising on acquisition	6,582,309
	<hr/>

# Safety & Survival Systems International (Holdings) Limited

Notes forming part of the financial statements  
for the period ended 31 December 2014 (*continued*)

## 21 Acquisitions (*continued*)

The results of Besse & Mill Limited prior to its acquisition were as follows

### Profit and loss account

	Current period up to acquisition £	Year ended 31 March 2014 £
Turnover	1,066,038	11,975,929
Operating profit	68,268	692,536
Net interest	697	9,276
Profit on ordinary activities	68,965	701,812
Minority interest	-	133,887
Profit for the year	68,965	567,925

### Cash flows

The net outflow of cash arising from the acquisition of Besse & Mill Limited was as follows

	£
Cash consideration, as above	8,898,371
Cash acquired	(2,506,332)
Net outflow of cash	6,392,039

# Safety & Survival Systems International (Holdings) Limited

Notes forming part of the financial statements  
for the period ended 31 December 2014 (continued)

## 21 Acquisitions (continued)

### Acquisition of Typhoon Holdings Limited

On 18 November 2014 Safety and Survival Systems International Limited, one of the company's subsidiaries, acquired 80% of the share capital of the Typhoon Holdings Limited group which included Typhoon International Limited. There was a put and call option agreement in place for the minority shareholders to sell and Safety and Survival International Limited to buy the remaining shares for fixed deferred consideration. No minority interest has therefore been accounted for.

In calculating the goodwill arising on acquisition, the fair value of the net assets of Typhoon Holdings Limited have been assessed and adjustments from book value have been made where necessary. These adjustments are summarised in the following table:

	Book and fair value £
Fixed assets	
Tangible	579,056
Current assets	
Stocks	2,317,110
Debtors	1,684,038
Cash at bank and in hand	21,975
	<hr/>
Total assets	4,602,179
Creditors	
Due within one year	2,227,418
	<hr/>
Total assets less current liabilities	2,374,761
Provisions	
Deferred tax	27,263
	<hr/>
Net assets	2,347,498
	<hr/>
	£
Cash consideration (including expenses of £335,339)	3,226,481
Deferred consideration	732,423
Net assets acquired	2,347,498
	<hr/>
Goodwill arising on acquisition	1,611,406
	<hr/>

# Safety & Survival Systems International (Holdings) Limited

Notes forming part of the financial statements  
for the period ended 31 December 2014 (*continued*)

## 21 Acquisitions (*continued*)

The results of Typhoon Holdings Limited prior to its acquisition were as follows

### Profit and loss account

	Current period up to acquisition £	Year ended 31 October 2013 £
Turnover	10,088,499	7,138,101
Operating profit	895,801	341,197
Net interest	(149,357)	(69,486)
Profit on ordinary activities before taxation	746,444	271,711
Taxation on profit from ordinary activities	-	6,006
Profit for the year	746,444	265,705

### Cash flows

The net outflow of cash arising from the acquisition of Typhoon Holdings Limited was as follows

	£
Cash consideration, as above	3,226,481
Cash acquired	21,975
Net outflow of cash	3,204,506

# Safety & Survival Systems International (Holdings) Limited

## Notes forming part of the financial statements for the period ended 31 December 2014 (continued)

### 21 Acquisitions (continued)

*Acquisition of assets of Ultimate Survival Technologies Inc ,*

On 10 October 2014 Revere Survival Inc , an indirectly held subsidiary of the company (see note 11), acquired certain assets of Ultimate Survival Technologies Inc ,

In calculating the goodwill arising on acquisition, the fair value of the net assets of assets of Ultimate Survival Technologies Inc , have been assessed and adjustments from book value have been made where necessary. These adjustments are summarised in the following table

	Book and fair value £
Fixed assets	
Tangible	25,512
Current assets	
Stocks	365,530
Debtors	8,527
	<hr/>
Net assets	399,569
	<hr/>
	£
Cash consideration (including expenses of £95,815))	2,854,318
Net assets acquired	399,569
	<hr/>
Goodwill arising on acquisition	2,454,749
	<hr/>

### Cash flows

The net outflow of cash arising from the acquisition of assets of Ultimate Survival Technologies Inc , was as follows

	£
Cash consideration, as above	2,854,318
	<hr/>
Net outflow of cash	2,854,318
	<hr/>

# Safety & Survival Systems International (Holdings) Limited

Notes forming part of the financial statements  
for the period ended 31 December 2014 (*continued*)

## 22 Commitments under operating leases

The group had annual commitments under non-cancellable operating leases as set out below

	Land and buildings 31 December 2014 £
Operating leases which expire	
In two to five years	205,386
After five years	23,250
	<hr/>
	228,636
	<hr/>

## 23 Related party disclosures

### *Controlling parties*

The company is controlled by August Equity LLP

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with its wholly owned subsidiaries

## 24 Reconciliation of operating loss to net cash outflow from operating activities

	Period ended 31 December 2014 £
Operating loss	(836,700)
Amortisation of intangible fixed assets	967,220
Depreciation of tangible fixed assets	198,887
Increase in stocks	(956,309)
Increase in debtors	204,166
Increase in creditors	253,723
Decrease in provisions	(11,549)
	<hr/>
Net cash outflow from operating activities	(180,562)
	<hr/>



# Safety & Survival Systems International (Holdings) Limited

Notes forming part of the financial statements  
for the period ended 31 December 2014 *(continued)*

## 25 Reconciliation of net cash flow to movement in net debt

	Period ended 31 December 2014 £
Increase in cash	4,000,375
Cash outflow from changes in debt	(19,378,062)
Movement in net debt	(15,377,687)
Opening net funds	-
Closing net debt	(15,377,687)

## 26 Analysis of net debt

	At 17 April 2014 £	Cash flow £	At 31 December 2014 £
Cash at bank and in hand	-	4,000,375	4,000,375
Debt due within one year	-	(433,861)	(433,861)
Debt due after one year	-	(18,938,750)	(18,938,750)
Finance leases	-	(5,451)	(5,451)
		(19,378,062)	
Total	-	(15,377,687)	(15,377,687)