

Financial Statements

Full Moon Holdings

Limited

For the year ended 31 December 2013

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COMPANIES HOUSE

Company No. 1898682

Company information

Company registration number: 1898682

Registered office: Station Works
Long Buckby
NORTHAMPTON
NN6 7PF

Directors: G Kafi
K Jahanshad

Auditor: Sturgess Hutchinson (Leicester) Limited
Chartered Certified Accountants and Registered Auditors
21 New Walk
Leicester
LE1 6TE

Full Moon Holdings Limited
Financial statements for the year ended 31 December 2013

Index to the financial statements

	PAGE
Report of the directors	3 - 4
Report of the independent auditor	5 - 6
Principal accounting policies	7 - 8
Profit and loss account	9
Balance sheet	10
Notes to the financial statements	11 - 16

Full Moon Holdings Limited
Financial statements for the year ended 31 December 2013

Report of the directors

The directors present their report together with the financial statements for the year ended 31 December 2013.

Principal activity

The principal activity of the company is that of a holding company holding investments in its subsidiaries. Its risks are therefore linked with the activities of its subsidiaries through the generation of profits to meet its operating needs and scheduled loan repayments.

Business review

There was a loss for the year after taxation amounting to £ 93,507 (2012 - £202,857). It is intended that the company will continue as a holding company with no significant changes in operations.

The directors

The present membership of the Board is set out below.

K Jahanshad
G Kafi

Insurance of directors

Insurance is maintained for the directors of the company in respect of their duties as directors.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to 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 judgments and 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 company will continue in business.

Full Moon Holdings Limited**Financial statements for the year ended 31 December 2013****Statement of directors' responsibilities (continued)**

The directors are responsible for keeping adequate accounting records that 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.

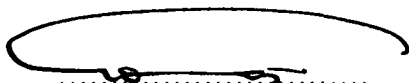
In so far as each of the directors is aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Sturgess Hutchinson (Leicester) Limited, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

BY ORDER OF THE BOARD



G Kafi
Director

Date: 22.02.2014

Independent Auditor's Report to the Members of Full Moon Holdings Limited (registered number 1898682)

We have audited the financial statements of Full Moon Holdings Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movements in Shareholders' Funds and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3 and 4, 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 (APB'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 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 financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our audit.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013, and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Independent Auditor's Report to the Members of Full Moon Holdings Limited
(registered number 1898682)

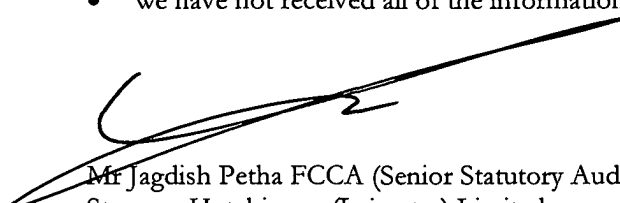
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all of the information and explanations we require for our audit



Mr Jagdish Petha FCCA (Senior Statutory Auditor)
Sturgess Hutchinson (Leicester) Limited
21 New Walk
Leicester
LE1 6TE

Date: 30/09/2014

Full Moon Holdings Limited

Financial statements for the year ended 31 December 2013

Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006 and applicable UK accounting standards (United Kingdom Generally Accepted Accounting Practice).

The principal accounting policies are set out below and have been applied consistently throughout the year and are unchanged from the prior year:

Basis of preparation-going concern

The financial statements have been prepared on a going concern basis, which assumes that the company will continue to trade for the foreseeable future.

Cash flow Statement

The company is a wholly-owned subsidiary of Sina Holdco Limited and is included in the consolidated financial statements of Sina Holdco Limited, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996).

Turnover

Turnover is the revenue arising from the sales of goods and services. It is stated at the fair value of the consideration receivable, net of value added tax, rebates and discounts.

Revenue from the sale of goods is recognised when the significant risks and benefits of ownership of the product have transferred to the buyer, which may be upon shipment, completion of the product or the product being ready for delivery, based on specific contract terms.

Revenue from services provided by the company is recognised when the company has performed its obligations and in exchange obtained the right to consideration.

Current tax

The current tax charge is based on the loss for the year and is measured at the amounts expected to be paid based on the tax rates and laws substantively enacted by the balance sheet date. Current and deferred tax is recognised in the profit and loss account for the period except to the extent that it is attributable to a gain or loss that is or has been recognised directly in the statement of total recognised gains and losses.

Full Moon Holdings Limited

Financial statements for the year ended 31 December 2013

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance date.

Provisions for liabilities and charges

Provisions (other than provisions for post-retirement benefits and deferred taxation) are recognised when the company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be estimated reliably.

A contingent liability arises where the company has a possible obligation as a result of past events, or where the company has a present obligation as a result of past events, but where the transfer of economic benefit to settle the obligation is not probable, or the amount of the liability cannot be measured with sufficient reliability. Contingent liabilities are disclosed in the notes to the financial statements.

Financial Instruments

Financial liabilities and equity instruments are classified 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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Investments

Investments are included at cost less provision for impairment.

Profit and loss account

	Note	2013 £	2012 £
Turnover		-	-
Administrative expenses		<u>(54,983)</u>	<u>(167,061)</u>
Operating loss	1	(54,983)	(167,061)
Net interest	2	<u>(38,524)</u>	<u>(35,796)</u>
Loss on ordinary activities before taxation		(93,507)	(202,857)
Tax credit on ordinary activities	3	<u>-</u>	<u>-</u>
Retained loss for the year	10	<u><u>(93,507)</u></u>	<u><u>(202,857)</u></u>

All of the activities of the company are classed as continuing.

There were no recognised gains or losses other than the loss for the financial year.

Balance sheet

	Note	2013 £	2012 £
Fixed assets			
Investments	4	11,480,044	11,480,044
Current assets			
Debtors	5	2,171,694	2,031,431
Cash at bank and in hand		828	25,685
		<u>2,172,522</u>	<u>2,057,116</u>
Creditors: amounts falling due within one year	6	<u>(450,651)</u>	<u>(569,892)</u>
Net current assets		<u>1,721,871</u>	<u>1,487,224</u>
Total assets less current liabilities		13,201,915	12,967,268
Creditors: amounts falling due after more than one year	7	<u>(12,086,393)</u>	<u>(11,758,239)</u>
		<u><u>1,115,522</u></u>	<u><u>1,209,029</u></u>
Capital and reserves			
Called up share capital	8	399,163	399,163
Share premium	9	537,349	537,349
Other reserves	9	848,650	848,650
Profit and loss account	10	<u>(669,640)</u>	<u>(576,133)</u>
Shareholders' funds	11	<u><u>1,115,522</u></u>	<u><u>1,209,029</u></u>

These financial statements were approved and authorised for issue by the directors on 22.02.2014 and are signed on their behalf by:



G Kafi
Director

Company registration number: 1898682

Full Moon Holdings Limited
Financial statements for the year ended 31 December 2013

Notes to the financial statements

1 Profit/(loss) on ordinary activities before taxation

The loss on ordinary activities before taxation is stated after:

	2013 £	2012 £
Audit fees	2,500	2,300

2 Net interest

	2013 £	2012 £
Interest on bank loan	38,524	35,796
	<u>38,524</u>	<u>35,796</u>

Full Moon Holdings Limited
Financial statements for the year ended 31 December 2013

3 Taxation on loss on ordinary activities

The tax charge represents:

	2013 £	2012 £
UK current corporation tax credit	-	-
Adjustment in respect of prior period	-	-
Tax credit on loss on ordinary operations	-	-

Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 23.25% (2012 – 24.50%). The differences are explained as follows:

	2013 £	2012 £
Loss on ordinary activities before tax	(93,507)	(202,857)
Loss on ordinary activities before tax multiplied by the standard rate of corporation tax in the UK of 23.25% (2012 – 24.50%)	(21,740)	(49,700)
Effect of:		
Group Relief	-	49,210
Expenses not allowed for tax	-	490
Creation of tax losses	21,740	-
Current tax credit for the year	-	-

4 Fixed asset investments

	Loans to group undertakings £	Shares in group undertakings £	Total £
Cost			
At 31 January 2013 and 31 December 2013	1,194,000	10,851,044	12,045,044
Provision for diminution in value			
At 1 January 2013 and at 31 December 2013	-	565,000	565,000
Net book amount at 31 December 2013	1,194,000	10,286,044	11,480,044
Net book amount at 31 December 2012	1,194,000	10,286,044	11,480,044

Loans to group undertakings are unsecured and interest free with no fixed repayment terms.

Full Moon Holdings Limited**Financial statements for the year ended 31 December 2013****Fixed asset investments (continued)**

At 31 December 2013 the company held 20% or more of the share capital in the following undertakings:

Subsidiary undertakings	Class of share capital held	Proportion held	Nature of business	Capital and reserves £	Profit/(loss) for the year ended 31 December 2013 £
Quarter Moon Acquisitions Inc (incorporated in the USA)	Common stock	100%	Holding Company for US manufacturing and distribution business	(4,275,212)	(1,401,027)
LaserPerformance (Europe) Limited	Ordinary £1 shares	100%	Marketing, distribution and sales of sailing boats and services	28,098	33,796
Laser Sailboats Limited	Ordinary £1 shares	100%	Development and supply of sailing boats & dinghies	1,667,227	(5,357)
Saillaser Limited	Ordinary £1 shares	100%	Exploitation of Laser and Dart trademarks and service business	(740,078)	(73,341)
Dart Catamarans International Limited	Ordinary £1 shares	100%	Non-trading	2	Nil
Panthercraft Limited	Ordinary £1 shares	100%	Non-trading	Nil	Nil

Full Moon Holdings Limited
Financial statements for the year ended 31 December 2013

5 Debtors

	2013	2012
	£	£
Amounts owed by group	2,171,694	2,031,431
	<u>2,171,694</u>	<u>2,031,431</u>

6 Creditors: amounts falling due within one year

	2013	2012
	£	£
Bank loans and overdrafts	439,527	434,708
Trade creditors	-	2,334
Other creditors	6,085	48,265
Accruals and deferred income	5,039	25,335
Amounts due to group companies	-	59,250
	<u>450,651</u>	<u>569,892</u>

The loan is subject to a number of commercial restrictions plus covenants which come into force if repayments are not made in accordance with agreed terms. These include:

- a guarantee and security interest agreement from Spring Meadow Holdings Limited and
- financial covenants for Full Moon Holdings Limited for group interest cover, senior debt, earnings before interest and taxation and cash flow cover.

This loan is secured by:

- A fixed and floating charge over the assets of the group.
- A fixed charge over the investment in share capital of Quarter Moon Acquisitions Incorporated.
- A Charge over the certain Intellectual Property Rights.
- A Guarantee of £1,000,000.

Full Moon Holdings Limited
Financial statements for the year ended 31 December 2013

7 Creditors: amounts falling due after more than one year

	2013 £	2012 £
Inter-company loan	12,086,393	11,415,169
Bank loan	-	343,070
	<u>12,086,393</u>	<u>11,758,239</u>

8 Share capital

	2013 £	2012 £
Authorised 4,720,000 ordinary shares of 10p each	<u>472,000</u>	<u>472,000</u>
Allotted, called up and fully paid 3,991,631 ordinary shares 10p each	<u>399,163</u>	<u>399,163</u>

9 Share premium account and reserves

	Share premium account £	Capital reserve £	Capital redemption reserve £
At 1 January 2013 and 31 December 2013	<u>537,349</u>	<u>627,461</u>	<u>221,189</u>

The balance on the share premium account is non-distributable under section 46 of the Companies Act 2006.

10 Profit and loss account

	2013 £	2012 £
At 1 January 2013	(576,133)	(373,276)
Loss for the year	<u>(93,507)</u>	<u>(202,857)</u>
At 31 December 2013	<u>(669,640)</u>	<u>(576,133)</u>

11 Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Net decrease in shareholders' funds	(93,507)	(202,857)
Opening shareholders' funds	1,209,029	1,411,886
	<hr/>	<hr/>
Closing shareholders' funds	<u>1,115,522</u>	<u>1,209,029</u>

12 Contingent liabilities

The company has entered into a guarantee along with its subsidiary companies Laser Performance (Europe) Limited and Laser Sailboats Limited, in favour of Barclays Bank plc, to secure the bank borrowings of these group companies. As at 31 December 2013 these borrowings amounted to £439,527 (2012 - £777,778).

13 Transactions with related parties

As a wholly owned subsidiary of Sina Holdco Limited, the company is exempt from the requirements of FRS 8 to disclose other transactions with members of the group headed by that company.

14 Ultimate parent company and controlling related party

The directors consider that Sina Holdco Limited is the controlling related party by virtue of its shareholding. The ultimate parent undertaking is Spring Meadow Holdings Limited, a company registered in the British Virgin Islands.