

**Report of the Directors and
Financial Statements
for the Year Ended 31 July 2013
for
Ewbank Products Limited**

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for the Year Ended 31 July 2013**

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Ewbank Products Limited

Company Information
for the Year Ended 31 July 2013

DIRECTORS: J N Baseley
T G Hopper

SECRETARY: J N Baseley

REGISTERED OFFICE: Eaton Bank Trading Estate
Varey Road
Congleton
Cheshire
CW12 1PJ

REGISTERED NUMBER: 03312633 (England and Wales)

AUDITORS: Roffe Swayne
Statutory Auditors &
Chartered Accountants
Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ

**Report of the Directors
for the Year Ended 31 July 2013**

The directors present their report with the financial statements of the company for the year ended 31 July 2013.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture and sale of electrical and non-electrical domestic cleaning equipment and associated items.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2012 to the date of this report.

J N Baseley

T G Hopper

Other changes in directors holding office are as follows:

K F Pavia ceased to be a director after 31 July 2013 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Roffe Swayne, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**Report of the Directors
for the Year Ended 31 July 2013**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

T G Hopper - Director

7 February 2014

Report of the Independent Auditors to the Members of Ewbank Products Limited

We have audited the financial statements of Ewbank Products Limited for the year ended 31 July 2013 on pages six to eleven. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 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 Report of the Directors 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 report.

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 July 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
Ewbank Products 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Report of the Directors.

Anthony Kelly BSc FCA (Senior Statutory Auditor)
for and on behalf of Roffe Swayne
Statutory Auditors &
Chartered Accountants
Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ

7 February 2014

**Profit and Loss Account
for the Year Ended 31 July 2013**

	Notes	2013 £	2012 £
TURNOVER	2	1,070,455	1,052,297
Cost of sales		<u>793,436</u>	<u>794,144</u>
GROSS PROFIT		277,019	258,153
Administrative expenses		<u>209,256</u>	<u>271,301</u>
OPERATING PROFIT/(LOSS)	3	67,763	(13,148)
Dilapidations and redundancy costs	4	<u>-</u>	<u>107,846</u>
		67,763	(120,994)
Interest payable and similar charges		<u>3,049</u>	<u>3,557</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		64,714	(124,551)
Tax on profit/(loss) on ordinary activities	5	<u>-</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>64,714</u>	<u>(124,551)</u>

The notes form part of these financial statements

Balance Sheet
31 July 2013

	Notes	2013 £	2012 £
CURRENT ASSETS			
Stocks		211,551	231,012
Debtors	8	182,364	144,716
Cash at bank		19,403	2,216
		<u>413,318</u>	<u>377,944</u>
CREDITORS			
Amounts falling due within one year	9	528,741	558,081
NET CURRENT LIABILITIES		<u>(115,423)</u>	<u>(180,137)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(115,423)</u>	<u>(180,137)</u>
CAPITAL AND RESERVES			
Called up share capital	11	104,600	104,600
Share premium	12	455,400	455,400
Profit and loss account	12	(675,423)	(740,137)
SHAREHOLDERS' FUNDS		<u>(115,423)</u>	<u>(180,137)</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 7 February 2014 and were signed on its behalf by:

T G Hopper - Director

**Notes to the Financial Statements
for the Year Ended 31 July 2013**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

Following the restructure of operations during the year ended 31 July 2012 the company has returned to profit. The directors have prepared profit and loss, balance sheet and cashflow forecasts for the foreseeable future which indicate that the company will continue to trade profitably and generate positive cash flows during that period. As at 31 July 2013 the company remains in a net liability position, however subsequent to the year end the shareholders have loaned the company sufficient funds to enable the company to continue to trade as a going concern. The shareholders have confirmed that they will not request repayment of these loans until the company has sufficient funds to effect the repayment.

On the basis of the above, as well as continuing support from the company's shareholders, the directors believe that it is appropriate to prepare these financial statements on a going concern basis.

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents net sales and royalties receivable, excluding value added tax, and net of sales rebates. Sales revenue is recognised on dispatch. Royalties are recognised in the period earned.

Intangible fixed assets

Intangible fixed assets comprise goodwill and is stated at net book value.

The directors consider that the intangible fixed assets had a useful economic life of four years.

Tangible fixed assets

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

Tooling - 50% on cost

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is based on the invoiced price of the purchased goods and includes transport and handling costs. Net realisable value is based on the price at which stock can be realised in the normal course of business. Provision is made where necessary for obsolete, slow moving and damaged stocks.

Foreign currencies

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

2. **TURNOVER**

Exports accounted for 1.9% of the turnover (2012-15).

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**Notes to the Financial Statements - continued
for the Year Ended 31 July 2013**

3. OPERATING PROFIT/(LOSS)

The operating profit (2012 - operating loss) is stated after charging:

	2013	2012
	£	£
Auditors' remuneration	5,700	5,700
Pension costs	<u>2,319</u>	<u>1,414</u>
Directors' remuneration and other benefits etc	<u>-</u>	<u>-</u>

4. EXCEPTIONAL ITEMS

During the prior year the company incurred exceptional restructuring costs totalling £107,846 in respect of redundancy costs and property dilapidations.

5. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 July 2013 nor for the year ended 31 July 2012.

Factors that may affect future tax charges

The company has accumulated tax losses of £543,412 (2012: £603,722). A deferred tax asset has not been recognised in the financial statements in respect of these losses as the timing of utilisation cannot be reliably determined. If the asset was to be recognised the value would be £115,846 (2012: £129,489).

6. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 August 2012	100,000
Disposals	<u>(100,000)</u>
At 31 July 2013	<u>-</u>
AMORTISATION	
At 1 August 2012	100,000
Eliminated on disposal	<u>(100,000)</u>
At 31 July 2013	<u>-</u>
NET BOOK VALUE	
At 31 July 2013	<u>-</u>
At 31 July 2012	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2013

7. TANGIBLE FIXED ASSETS

	Tooling £
COST	
At 1 August 2012 and 31 July 2013	<u>374,423</u>
DEPRECIATION	
At 1 August 2012 and 31 July 2013	<u>374,423</u>
NET BOOK VALUE	
At 31 July 2013	<u>-</u>
At 31 July 2012	<u>-</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £	2012 £
Trade debtors	179,685	135,972
Amounts owed by group undertakings	-	8,081
Other debtors	2,161	-
Prepayments and accrued income	518	663
	<u>182,364</u>	<u>144,716</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £	2012 £
Trade creditors	223,291	72,477
Amounts owed to group undertakings	199,688	316,044
Social security and other taxes	-	5,084
Other creditors and accruals	15,668	99,065
Invoice discounting advance	90,094	65,411
	<u>528,741</u>	<u>558,081</u>

10. SECURED DEBTS

The following secured debts are included within creditors:

	2013 £	2012 £
Invoice discounting advance	<u>90,094</u>	<u>65,411</u>

Amounts owed under the invoice discounting arrangement are secured by way of a fixed and floating charge against the assets of the company. At the year end the company was also party to an unlimited multilateral guarantee in respect of these debts together with its parent undertaking, Earlex Limited.

Notes to the Financial Statements - continued
for the Year Ended 31 July 2013

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2013 £	2012 £
104,600	Ordinary	£1	<u>104,600</u>	<u>104,600</u>

12. RESERVES

	Profit and loss account £	Share premium £	Totals £
At 1 August 2012	(740,137)	455,400	(284,737)
Profit for the year	<u>64,714</u>		<u>64,714</u>
At 31 July 2013	<u>(675,423)</u>	<u>455,400</u>	<u>(220,023)</u>

13. PENSION COMMITMENTS

The company contributes to a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds. The pension charge represents contributions payable by the company to the funds and amounted to £nil (2012: £2,268).

There was an amount of £nil (2012: £41) outstanding and payable to the scheme at the balance sheet date.

14. ULTIMATE PARENT COMPANY

The ultimate parent company during the year under review was Earlex Limited, a company incorporated in England and Wales. A copy of the company's accounts can be obtained from the registered address at Opus Park, Moorfield Road, Slyfield Industrial Estate, Guildford, Surrey, GU1 1SZ.

15. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

16. POST BALANCE SHEET EVENTS

Subsequent to the year end Earlex Limited has sold its entire shareholding in Ewbank Products Limited to the directors J N Baseley and T G Hopper and their families. As part of this transaction, 150,000 ordinary £1 shares were issued and fully paid. The shareholders also provided further funds to enable the company to repay its debt to Earlex Limited and assist with the working capital of the business.

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