

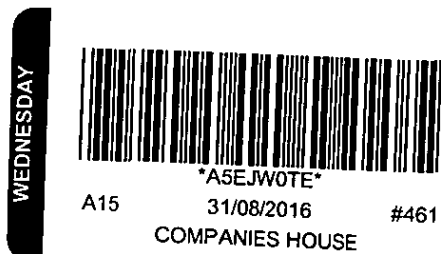
Company Registration No. 08542386

Underdog Group Limited

Annual Report and Financial Statements

For the year ended 31 December 2015

Parent company accounts for
Underdog Restaurants Limited
05786163 pg 17



Underdog Group Limited

Contents	Page
Company information and advisers	1
Strategic report	2
Directors' report	3
Statement of directors' responsibilities	5
Independent auditor's report	6
Profit and loss account	7
Consolidated balance sheet	8
Company balance sheet	9
Group and Company statement of changes in equity	10
Consolidated cash flow statement	11
Notes to the financial statements	12

Underdog Group Limited

Company information and advisers

Directors

W Beckett
H Gott
A McLauchlan
K Jones
P Campbell

Secretary

A McLauchlan

Registered Office

Unit 402
70 Wapping Wall
London
E1W 3SS

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
London

Underdog Group Limited

Strategic report

The directors, in preparing the strategic report, have complied with s414C of the Companies Act 2006

Principal activities

The principal activity of the company in the period under review was to hold an investment in the Hawksmoor and Foxlow restaurant group. The principal activity of the Group is the operation of restaurants under those two brands.

Business review and future developments

The directors consider turnover and EBITDA (earnings before interest, taxation, depreciation and amortisation) as the key performance indicators for the company. Turnover for the year was £36,352k (2014: £29,953k), with underlying EBITDA of £5,536k (2014: £5,036k).

The directors expect the results to continue to reflect the business' growing popularity and successful branding.

Principal risks and uncertainties

The company looks to manage the principal risks and uncertainties, arising from both internal and external factors that could impact the company's performance. The company has risk management processes to identify, monitor and evaluate such issues as they emerge, enabling the Board to take appropriate action where possible.

Economic and market risk

The economic environment and general consumer sentiment have a significant bearing on the success of the company. Both consumer and corporate spending is increasing with the latter being more susceptible to market sentiment. Furthermore, the company is exposed to the market risks associated with the activities and operation of competing restaurants.

The company is committed to maintaining a highly desirable customer experience. Internal processes ensure that the company is well-positioned to react to market pressures while continuing to deliver a high quality product at competitive prices to its customers.

Operational efficiency and cost control

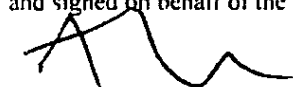
The company faces growing internal and external cost pressures. These pressures are managed with a focus on improving supply chain management, operational efficiency and appropriately robust cost control. The company is constantly looking to implement new initiatives to improve efficiency across its restaurants, resulting in lower operating costs without compromising product quality or service levels.

Financing and treasury

Key to the financial success of the business is the availability of sufficient finance to allow the company to meet its obligations and to enable it to continue to fund its growth through investment in new restaurants and in improving its existing venues. The company continues to monitor its working capital position and thus mitigate liquidity risk.

The nature of the business is such that there is minimal exposure to credit risk, foreign currency exchange risk or interest rate risk.

Approved by the Board of Directors
and signed on behalf of the Board



A McLauchlan
Director

Date 8 June 2016

Underdog Group Limited

Directors' report

The directors present their annual report on the affairs of the company together with the financial statements for the year ended 31 December 2015

Going concern

The company has net liabilities of £1,319k (2014 net liabilities of £321k), the Group as net current liabilities of £3,148k (2014 net current liabilities of £1,929k)

The directors, for the reasons set out in the Accounting Policies together with a capital structure that has appropriately manageable long-term financing, have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Political and charitable contributions
During the period company made charitable donations of £29k (2014 £34k) for the benefit of various charities

Dividends

The directors did not recommend the payment of a dividend in the period. (2014 £nil)

Directors

The directors who served in the period, except as noted, are presented on page 1 of the annual report. The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group and the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee consultation

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group and the Company. This is achieved through formal and informal meetings and the Company newsletter. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

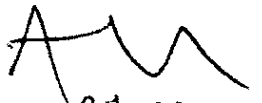
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Underdog Group Limited

Directors' report

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors
and signed on behalf of the Board



Date 8 June 2016

Underdog Group Limited

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 period. 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 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, and
- 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 with reasonable accuracy at any time the financial position of the Company and to 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.

Independent auditor's report to the members of Underdog Group Limited

We have audited the financial statements of Underdog Group Limited for the year ended 31 December 2015, which comprise the Consolidated Profit and Loss Account, the Consolidated and Parent Company Balance Sheet, the Consolidated and Parent Company Statements of changes in equity, Consolidated Cash Flow Statement and the related notes 1 to 17. 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, 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 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 and of the parent company's affairs as at 31 December 2015 and of the Group's 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.

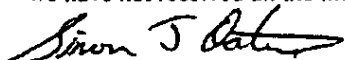
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial period 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 the information and explanations we require for our audit.



Simon Oaten FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

Date 08 June 2016

Underdog Group Limited

Profit and loss account For the year ended 31 December 2015

	Notes	2015 £'000	2014 £'000
Turnover	2	36,352	29,953
Cost of sales		(21,893)	(17,901)
Gross profit		14,459	12,052
Administrative expenses		(11,168)	(8,965)
Other operating income		42	18
Operating profit	3	3,333	3,105
Goodwill amortisation		(6,720)	(6,720)
Interest payable and similar charges		(3,281)	(2,989)
Loss on ordinary activities before taxation		(6,668)	(6,604)
Tax charge on loss on ordinary activities	6	(471)	(611)
Loss for the financial year		<u>(7,139)</u>	<u>(7,215)</u>

All amounts reported in the profit and loss account relate to continuing operations

There were no recognised gains or losses during the current year other than the loss for that financial year
Accordingly, no separate statement of comprehensive income has been presented

Underdog Group Limited

Consolidated balance sheet As at 31 December 2015

	Notes	2015 £'000	2014 £'000
Fixed assets			
Goodwill	7	17,938	24,042
Tangible assets	8	11,288	8,988
		<u>29,226</u>	<u>33,030</u>
Current assets			
Stocks		713	484
Debtors: amounts due within one year	10	1,601	1,280
Debtors: amounts due after one year	10	342	298
Cash at bank and in hand		177	1,034
		<u>2,833</u>	<u>3,096</u>
Creditors: amounts falling due within one year	11	<u>(5,981)</u>	<u>(5,025)</u>
Net current liabilities		<u>(3,148)</u>	<u>(1,929)</u>
Total assets less current liabilities		<u>26,078</u>	<u>31,101</u>
Creditors: amounts falling due after one year	12	<u>(41,677)</u>	<u>(39,646)</u>
Provisions	13	<u>(217)</u>	<u>(132)</u>
Net liabilities		<u>(15,816)</u>	<u>(8,677)</u>
Capital and reserves			
Called up share capital	14	14	14
Share premium	15	964	964
Profit and loss account	15	<u>(16,794)</u>	<u>(9,655)</u>
Shareholders' deficit		<u>(15,816)</u>	<u>(8,677)</u>

The financial statements of Underdog Group Limited (company number 08542386) were approved by the board of directors and authorised for issue on 8 June 2016. They were signed on its behalf by:



A McLauchlan
Director

Underdog Group Limited

Company balance sheet As at 31 December 2015

	Notes	2015 £'000	2014 £'000
Fixed assets			
Investments	9	-	-
Current assets			
Debtors amounts due after one year	10	12,014	12,014
		<u>12,014</u>	<u>12,014</u>
Creditors: amounts falling due after one year	12	<u>(13,333)</u>	<u>(12,335)</u>
Net liabilities		<u>(1,319)</u>	<u>(321)</u>
Capital and reserves			
Called up share capital	14	14	14
Share premium	15	964	964
Profit and loss account	15	<u>(2,297)</u>	<u>(1,299)</u>
Shareholders' deficit		<u>(1,319)</u>	<u>(321)</u>

The financial statements of Underdog Group Limited (company number 08542386) were approved by the board of directors and authorised for issue on 8 June 2016. They were signed on its behalf by



A McLauchlan
Director

Underdog Group Limited

Group and Company statements of changes in equity For the year ended 31 December 2015

	Called-up share capital £	Share premium £	Profit and loss account £	Total £
Group				
At 1 January 2014	14	964	(9,655)	(8,677)
Loss for financial year	-	-	(7,139)	(7,139)
At 31 December 2015	14	964	(16,794)	(15,816)
	Called-up share capital £	Share premium £	Profit and loss account £	Total £
Company				
At 1 January 2014	14	964	(1,299)	(321)
Loss for financial year	-	-	(998)	(998)
At 31 December 2015	14	964	(2,297)	(1,319)

Underdog Group Limited

Consolidated cash flow statement For the year ended 31 December 2015

	2015 £'000	2014 £'000
Net cash flows from operating activities (i)	4,792	4,363
Return on investment and servicing of finance		
Interest paid	(500)	(445)
Taxation		
Corporation tax paid	(548)	(1,143)
Cash flows from investing activities		
Purchase of equipment	(2,949)	(3,179)
Acquisitions and disposals		
Purchase of subsidiary undertaking	(1,207)	-
Cash acquired with subsidiary undertaking	155	-
Net cash flows from investing activities	<u>(257)</u>	<u>(404)</u>
Cash flows from financing activities		
Issue of ordinary share capital	-	8
Repayment of loan notes	-	(97)
Repayments of borrowings	(600)	(600)
Net cash flows from financing activities	<u>(600)</u>	<u>(689)</u>
Net decrease in cash and cash equivalents	<u>(857)</u>	<u>(1,093)</u>
Cash and cash equivalents at beginning of period	<u>1,034</u>	<u>2,127</u>
Cash and cash equivalents at end of year	<u><u>177</u></u>	<u><u>1,034</u></u>

(i) Reconciliation of operating profit to cash generated by operations

	2015 £'000	2014 £'000
Operating profit	3,333	3,105
Adjustment for Depreciation	1,360	1,126
Operating cash flow before movement in working capital	<u>4,693</u>	<u>4,231</u>
Increase in stocks	(229)	(93)
Increase in debtors	(107)	(155)
Increase in creditors	435	380
Cash generated by operations	<u><u>4,792</u></u>	<u><u>4,363</u></u>

Underdog Group Limited

Notes to the financial statements Year ended 31 December 2015

1. Accounting policies

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 December each year. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Accounting convention

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The accounting policies adopted by the Company are set out below and have been applied consistently throughout the period and are consistent with the preceding period.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside these consolidated financial statements.

Exemptions have been taken in relation to the presentation of a company only cash flow statement and remuneration of key management personnel.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amount of assets and liabilities, income and expenses. The estimates are associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form a basis for making the judgements about carrying value of assets and liabilities that are not readily apparent from other sources.

The directors have reviewed the estimates and assumptions used in the preparation of the consolidated financial statements. The directors do not believe that there is a significant risk which would lead to material adjustments to the carrying value of any assets and liabilities in the next financial year due to the changes on the estimates or assumptions.

Going concern

Consistent with the wider licensed retail sector, the Group has highly liquid debtor balances in comparison with its accrual and creditor ageing profile. As such, and with its continued investment in the Group's existing and new portfolio the group has net current liabilities of £3,148k (2014: £1,929k) and net liabilities of £15,816k (2014: £8,677k).

The directors have reviewed the current and projected financial position of the company, including its compliance with financial covenants, and given the underlying profitability and cash generating potential fully expect that the company will have access to adequate resources, including long term financing options, to continue in operation for the foreseeable future. Furthermore, all planned capital expenditure is uncommitted, which allows the Group to adapt accordingly to short-term liquidity demands. Further information is provided in the Directors' report.

Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Turnover

Turnover represents restaurant and bar takings registered at point of sale through electronic tills, excluding any discretionary service charge and value added tax.

Underdog Group Limited

Notes to the financial statements Year ended 31 December 2015

1. Accounting policies (continued)

Goodwill and Intangible Fixed Assets

Goodwill arising on acquisitions is amortised over a period of 5 years, which represents the useful economic life as estimated by the directors

Tangible fixed assets

Tangible fixed assets are stated at historical cost, net of depreciation and any provision for impairment. The company holds no fixed assets.

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

Leasehold expenditure	- over the duration of the lease
Plant and machinery	- 33.33% straight-line on cost
Fixtures and fittings	- 33.33% straight-line on cost

Stocks

Stocks are valued at the lower of cost and net realisable value on a first-in-first-out basis, after making due allowance for obsolete and slow moving items.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the relevant tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax is measured on a non-discounted basis.

Leases

Rentals paid under operating leases are charged to income on a straight-line basis over the period of the lease, even if payments are not made on such a basis. The aggregate benefit of any rent-free period or similar incentive under rental operating leases is also recognised on a straight-line basis over the full lease period. The Company has taken the transitional allowance on existing leases to not restate those lease incentives accounted for under IFRS 28.

2. Turnover

Turnover, attributable to continuing operations, is derived from the sale of food, wines, spirits, other beverages and sundry items. The origin and destination of all turnover was the United Kingdom.

Underdog Group Limited

Notes to the financial statements Year ended 31 December 2015

3. Operating profit

The operating profit is stated after charging

	2015 £'000	2014 £'000
Depreciation – owned assets (Note 8)	1,360	1,126
Auditor's remuneration	25	25
Fees to the Company's auditor in respect of non-audit services	15	15
Operating lease rentals – other	1,297	1,100
	<u>613</u>	<u>606</u>
Directors' remuneration and other benefits etc	<u>613</u>	<u>606</u>

4. Staff costs

The average monthly number of employees for the Group (including executive directors) was 652 (2014 521)
Their aggregate remuneration comprised

	2015 £'000	2014 £'000
Wages and salaries	11,591	9,380
Social security costs	896	736
Pension contributions to private schemes	131	90
	<u>12,618</u>	<u>10,206</u>

Directors' remuneration

	2015 £'000	2014 £'000
Emoluments	607	600
Pension contributions to private schemes	6	6
	<u>613</u>	<u>606</u>

The highest paid director in the year received emoluments of £176,000 (2014 £173,000)

5 Loss attributable to the Company

The loss for the financial year dealt with in the financial statements of the parent Company was £998k (2014 loss of £914k)

As permitted by Section 408 of the Companies Act 2006, no separate profit and loss account or statement of comprehensive income is presented in respect of the parent Company

Underdog Group Limited

Notes to the financial statements Year ended 31 December 2015

6. Taxation

(a) Analysis of the tax charge

The tax charge on the loss on ordinary activities for the period was as follows.

	2015 £'000	2014 £'000
Current tax		
UK corporation tax	536	549
(Over)/underprovision from prior years	(103)	48
Total current tax	433	597
Deferred tax	38	14
Tax on loss on ordinary activities	471	611

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period varies from the effective rate of corporation tax in the UK of 20.25% (2014: 22.5%). The differences are reconciled below.

	2015 £'000	2014 £'000
Loss on ordinary activities before tax	(6,668)	(6,604)
Loss on ordinary activities multiplied by the effective rate of corporation tax in the UK at 20.25% (2014: 22.5%)	(1,350)	(1,486)
Expenditure not deductible for tax purposes	1,918	2,078
Timing differences on fixed assets	(32)	(43)
Adjustment to tax in respect of prior periods	(103)	48
Total current tax (note 6 (a))	433	597

Underdog Group Limited

Notes to the financial statements Year ended 31 December 2015

7. Intangible assets - Goodwill

The net book value of goodwill for the group is comprised as follows

	Goodwill £'000	Total £'000
Cost		
At 1 January 2014	33,562	33,562
Acquired in the year	616	616
At 31 December 2015	34,178	34,178
Accumulated amortisation		
At 1 January 2014	9,520	9,520
Provided during the period	6,720	6,720
At 31 December 2015	16,240	16,240
Net book value		
At 31 December 2015	17,938	17,938
At 31 December 2014	24,042	24,042

The Company has no goodwill or other intangible fixed assets

8. Tangible fixed assets – Group

	Leasehold expenditure £'000	Plant and machinery £'000	Fixtures and fittings £'000	Total £'000
Cost				
At 1 January 2014	8,147	1,320	1,049	10,516
Additions	1,688	509	752	2,949
Acquired with subsidiary undertaking	519	167	25	711
At 31 December 2015	10,354	1,996	1,826	14,176
Accumulated depreciation				
At 1 January 2014	547	541	440	1,528
Charge for the period	584	390	386	1,360
At 31 December 2015	1,131	931	826	2,888
Net book value				
At 31 December 2015	9,223	1,065	1,000	11,288
At 31 December 2014	7,600	779	609	8,988

Underdog Group Limited

Notes to the financial statements Year ended 31 December 2015

9. Investments

	2015 £	2014 £
Shares at 1 January 2014 and 31 December 2015	-	-

Details of the company's subsidiary undertakings, as at 31 December 2015 are as follows

Company	Country of incorporation	Nature of business	Class	%
Underdog Group (B) Limited *	UK	Holding company	Ordinary	100
Underdog Group (C) Limited	UK	Holding company	Ordinary	100
Underdog Restaurants Limited	UK	Restaurants	Ordinary	100
Foxlow Restaurants Limited	UK	Restaurants	Ordinary	100
Dinish Restaurants Limited	UK	Restaurants	Ordinary	100

* Held directly

The following companies are exempt from the requirement relating to the audit of individual accounts for the year end 31 December 2015 by virtue of Section 479A of the Companies Act 2006 Foxlow Restaurants Limited (8552600), Underdog Restaurants Limited (05786163) and Underdog Group (C) Limited (8542498), Dinish Restaurants Limited (5383868)

Acquisition of subsidiary undertaking

On 31 August 2015 the Group, through its indirect ownership of Foxlow Restaurants Limited, acquired 100% per cent of the issued share capital of Dinish Restaurants Limited for consideration of £1,207k of cash. The fair value of the total consideration was £1,207k.

Underdog Group Limited

Notes to the financial statements Year ended 31 December 2015

9 Investments (continued)

The acquisition has been accounted for under the acquisition method. The following table sets out the book values of the identifiable assets and liabilities acquired and their fair value to the Group.

	Book value £000	Revaluation £000	Accounting policy alignment £000	Other adjustments £000	Fair value to Group £000
Fixed assets					
Tangible	711	-	-	-	711
Current assets					
Stocks	14	(14)	-	-	-
Debtors	258	-	-	-	258
Cash	155	-	-	-	155
Total assets	<u>1,138</u>	<u>(14)</u>	<u>-</u>	<u>-</u>	<u>1,124</u>
Creditors					
Trade creditors	173	-	-	-	173
Other creditors and accruals	273	6	-	-	279
Provisions	47	-	-	-	47
Taxation	34	-	-	-	34
Total liabilities	<u>539</u>	<u>6</u>	<u>-</u>	<u>-</u>	<u>533</u>
Net assets	<u>599</u>	<u>(8)</u>	<u>-</u>	<u>-</u>	<u>591</u>
Goodwill					616
					<u>1,207</u>
Satisfied by					
Cash					1,207
					<u>1,207</u>

Underdog Group Limited

Notes to the financial statements Year ended 31 December 2015

10. Debtors

	2015		2014	
	Group £'000	Company £'000	Group £'000	Company £'000
Amounts falling due within one year				
Trade debtors	749	-	540	-
Other debtors	253	-	290	-
Prepayments and accrued income	599	-	450	-
	<u>1,601</u>	<u>-</u>	<u>1,280</u>	<u>-</u>
Amounts falling due after more than one year				
Amounts owed by Group undertakings	-	12,014	-	12,014
Other debtors	342	-	298	-
	<u>342</u>	<u>12,014</u>	<u>298</u>	<u>12,014</u>
	<u>1,943</u>	<u>12,014</u>	<u>1,578</u>	<u>12,014</u>

11. Creditors: amounts falling due within one year

	2015		2014	
	Group £'000	Company £'000	Group £'000	Company £'000
Bank loans and overdrafts (see note 12)	678	-	528	-
Trade creditors	2,719	-	1,718	-
Corporation tax	134	-	249	-
Other taxation and social security	922	-	774	-
Other creditors	253	-	671	-
Accruals and deferred income	1,275	-	1,085	-
	<u>5,981</u>	<u>-</u>	<u>5,025</u>	<u>-</u>

12. Creditors: amounts falling due after more than one year

	2015		2014	
	Group £'000	Company £'000	Group £'000	Company £'000
Bank loans	5,764	-	6,442	-
Amounts owed to Group undertakings	-	101	-	101
Other loans	35,913	13,232	33,204	12,234
	<u>41,677</u>	<u>13,333</u>	<u>39,646</u>	<u>12,335</u>

The bank loan is secured by a fixed and floating charge over the Company's assets and is repayable in instalments. Interest is payable at LIBOR + margin varying between 3.5% - 4.5%.

Underdog Group Limited

Notes to the financial statements Year ended 31 December 2015

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

Borrowings are repayable as follows

	Group	
	2015	2014
	£'000	£'000
Bank loans		
Between one and two years	900	750
Between two and five years	5,000	5,900
After five years	-	-
	<hr/>	<hr/>
	5,900	6,650
On demand or within one year	750	600
Deferred issue costs	(208)	(280)
	<hr/>	<hr/>
	6,442	6,970
	<hr/>	<hr/>

Other loans comprise unsecured fixed rate loan notes which bear interest at 8% per annum. The loan notes are redeemable on 26 July 2019.

13. Provisions for liabilities and charges – Group

	2015	2014
	£'000	£'000
Provision for deferred taxes	<hr/> 217	<hr/> 132
		Deferred
		tax
		£'000
On accelerated capital allowances		
At 1 January 2014		132
Acquired with subsidiary undertaking		47
Profit and loss account		38
		<hr/>
Balance at 31 December 2015		217
		<hr/>

Deferred tax assets and liabilities are offset only where the Group has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Underdog Group Limited

Notes to the financial statements Year ended 31 December 2015

14. Called up share capital

	2015 £	2014 £
Allotted, issued and fully paid		
505,312 'A' Ordinary shares of 1p each	5,053	5,053
275,356 'B' Ordinary shares of 1p each	2,754	2,754
50,000 'C' Ordinary shares of 1p each	500	500
80,000 'D' Ordinary shares of 5p each	4,000	4,000
45,100 'E' Ordinary shares of 1p each	451	451
2,500 'F' Ordinary shares of 1p each	25	25
15,738 'B2' Ordinary shares of 5p each	787	787
3,594 'B3' Ordinary shares of 5p each	180	180
	<u>13,750</u>	<u>13,750</u>

All shares are ranked *pari passu* except 'B2' and 'B3' shares have enhanced voting rights 5% for each share held and 'D' 3 votes for each share held. No shares carry a right to fixed income.

15. Reserves

Group	Called up share capital £'000	Share premium £'000	Profit and loss account £'000	Total £'000
At 1 January 2014	14	964	(9,655)	(8,677)
Loss for the period	-	-	(7,139)	(7,139)
At 31 December 2015	<u>14</u>	<u>964</u>	<u>(16,794)</u>	<u>(15,816)</u>

Company	Called up share capital £'000	Share premium £'000	Profit and loss account £'000	Total £'000
At 1 January 2014	14	964	(1,299)	(321)
Loss for the period	-	-	(998)	(998)
At 31 December 2015	<u>14</u>	<u>964</u>	<u>(2,297)</u>	<u>(1,319)</u>

Underdog Group Limited

Notes to the financial statements Year ended 31 December 2015

16. Operating lease commitments - Group

Annual commitments under non-cancellable operating leases are as follows

	Land and buildings	
	2015	2014
	£'000	£'000
Expiring		
Within one year	-	32
Between two and five years	69	-
In more than five years	1,521	1,261
	<u>1,590</u>	<u>1,293</u>

The company has no non-cancellable operating lease commitments

17. Control

The directors do not consider there to be an ultimate controlling party