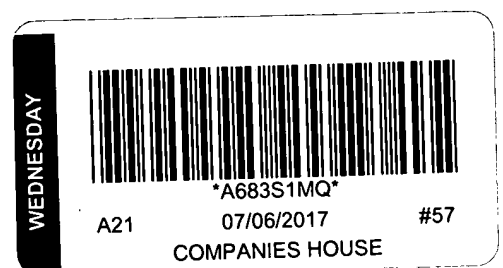


Everest Intermediate Limited

**Directors' report and financial
statements**

Registered number 05949088

31 October 2016



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Strategic Report

The director presents his Strategic report and financial statements for the year ended 31 October 2016. This report has been prepared by the director in accordance with the requirements of Section 414 of the Companies Act 2006.

Business review

The Company did not trade during the current period. During the year the Company accrued interest on the loan notes issued. The profit and loss account is set out on page 6 and shows the result for the year.

Analysis of key performance indicators

As the company is a non-trading intermediate holding company, there are no key performance indicators based on the performance of the Company.

Principal risks and uncertainty

The principal risk to the business is the performance of the subsidiaries and their ability to repay their liabilities as they fall due.

Approval

This strategic report was approved by the board on 24 May 2017

A C Kirk
Director

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by several loops and a long horizontal stroke at the end.

Director's Report

The director presents his Directors' report and financial statements for the year ended 31 October 2016.

The principal risks and uncertainties, business review and key performance indicators are included in the strategic report in accordance with s414 of the Companies Act 2006.

Principal activities

The Company is an intermediate holding company. Its only activity is holding loan notes which accrue interest.

Results and dividend

The loss for the period absorbed by the Company is £894,000 (2015: £894,000). This is the accrued interest on the loan notes.

Directors

The directors who held office during the period was as follows:

A C Kirk

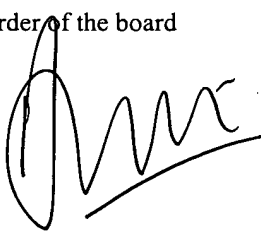
Disclosure of information to auditors

The director who held office at the date of approval of this director's report confirms that, so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware; and he has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Pursuant to section 487 of the Companies Act 2006 the auditors will be deemed to be reappointed and BDO LLP will therefore continue in office.

By order of the board



A C Kirk
Director
24 May 2017

Fourth Floor
Bow Chambers
8 Tib Lane
Manchester
M2 4JB

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the 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;
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EVEREST INTERMEDIATE LIMITED

We have audited the financial statements of Everest Intermediate Limited for the year ended 31 October 2016 which comprise the profit and loss account, the balance sheet, the statement of changes in equity 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Basis for qualified audit opinion on the financial statements

The company has not prepared group financial statements, which is contrary to the provisions of the Companies Act 2006 and the requirements of FRS 2 'Accounting for subsidiary undertakings'.

Qualified opinion arising from failure to prepare group accounts

In our opinion, except for the effects of the matters described in the basis for qualified opinion paragraph, the parent financial statements

- give a true and fair view of the parent company's affairs as at 31 October 2016 and of the company'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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EVEREST INTERMEDIATE LIMITED
(Continued)

Opinion on other matters prescribed by the Companies Act 2006

Notwithstanding our qualified opinion regarding the lack of group financial statements, in our opinion the information given in the strategic report and 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 the information and explanations we require for our audit.



Stuart Wood (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Manchester
Date: 31 MAY 2017

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

Profit and Loss Account
for the year ended 31 October 2016

	<i>Note</i>	2016 £000	2015 £000
Turnover		-	-
Administrative expenses		-	-
		<hr/>	<hr/>
Operating profit		-	-
Interest payable and similar charges	3	(894)	(894)
		<hr/>	<hr/>
Loss before taxation		(894)	(894)
Tax on loss on ordinary activities		-	-
		<hr/>	<hr/>
Loss for the financial year	8	(894)	(894)
		<hr/>	<hr/>

All amounts are derived from continuing activities.

The Company has no recognised gains or losses in either the current or preceding year other than those presented above and therefore no statement of total recognised gains and losses has been presented.

The notes on pages 9 to 12 form part of these financial statements.

Balance Sheet
at 31 October 2016

	<i>Note</i>	2016 £000	2016 £000	2015 £000	2015 £000
Fixed assets					
Investments	5	-	-	-	-
Current assets					
Cash at bank and in hand		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Creditors: amounts falling due within one year		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net current liabilities		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total assets less current liabilities		-	-	-	-
Creditors: amounts falling due after one year	6	(15,871)	(15,871)	(14,977)	(14,977)
		<hr/>	<hr/>	<hr/>	<hr/>
Net liabilities		(15,871)	(15,871)	(14,977)	(14,977)
		<hr/>	<hr/>	<hr/>	<hr/>
Capital and reserves					
Called up share capital	7	-	-	-	-
Profit and loss reserve	8	(15,871)	(15,871)	(14,977)	(14,977)
		<hr/>	<hr/>	<hr/>	<hr/>
Equity shareholder's deficit		(15,871)	(15,871)	(14,977)	(14,977)
		<hr/>	<hr/>	<hr/>	<hr/>

These financial statements were approved by the board of directors on 24 May 2017 and were signed on its behalf by:


A C Kirk
 Director

The notes on pages 9 to 12 form part of these financial statements.

Statement of changes in equity
for the year ended 31 October 2016

	Share capital	Profit and loss reserve	Total
	£000	£000	£000
As at 1 November 2015	-	(14,977)	(14,977)
Loss for the year	-	(894)	(894)
Total comprehensive income for the year	-	(894)	(894)
As at 31 October 2016	-	(15,871)	(15,871)

Statement of changes in equity
for the year ended 31 October 2015

	Share capital	Profit and loss reserve	Total
	£000	£000	£000
As at 1 November 2014	-	(14,083)	(14,083)
Loss for the year	-	(894)	(894)
Total comprehensive income for the year	-	(894)	(894)
As at 31 October 2015	-	(14,977)	(14,977)

The notes on pages 9 to 12 form part of these financial statements

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Statement of compliance

Everest Intermediate Limited is a limited liability company incorporated in England. The Registered Office is Bow Chambers, 8 Tib Lane, Manchester M2 4JB. The company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the company for the year ended 31 October 2016.

The Group transitioned from previously extant UK GAAP to FRS 102 as at 1 November 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 11.

Basis of preparation and change in accounting policy

The financial statements have been prepared under the historical cost convention as modified for the valuation of freehold property and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland. The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £'000.

The company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group. The company is also exempt from the requirement to prepare a cashflow statement as it is a small company.

Going concern

The accounts have been prepared on a going concern basis, notwithstanding that the Company has net liabilities. The loan stock liabilities, and the related payment terms, are set out in note 6 to the accounts. The loan note holders are aware that the ability of the Company to repay these amounts on their due date is dependent on the ability of the Company to realise its investment, or income there from, in the Four Seasons Partnership. Whilst the directors and loan note holders consider this achievable the loan note holders have confirmed in writing to the Company that they will not seek repayment of the amounts owed under this agreement if and until the Company has realised its investment in the Four Seasons Partnership, or has been in receipt of funds from its investment which would enable it to meet this financial commitment.

Non-Consolidation and information in respect of subsidiaries

For the year ended 31 October 2016, none of the subsidiary undertakings have been consolidated by NE Investments Limited on the grounds that the information necessary for the preparation of consolidated financial statements for the primary trading entities in the US cannot be obtained without disproportionate expense or undue delay and as a result do not allow the company to take this exemption.

The directors believe it is not possible to complete the preparation and the audit of the accounts in the US without incurring substantial additional costs which the directors believe outweighs the benefits to the shareholders and stakeholders of the group. The directors therefore believe that consolidated financial statements exclusive of information regarding these subsidiaries would not give a true and fair view of the Groups affairs and its result for the year could be misleading, consequently, the company and its immediate parent, NE Investments Limited, has not consolidated the results, assets and liabilities of any of its subsidiary undertakings in these financial statements. The company's reasons for the non-preparation of consolidated financial statements are not in accordance with FRS102. Accordingly these financial statements present information about the individual company and not the group.

Notes (continued)

1 Accounting policies (continued)

Classification of financial instruments issued by the Company

Financial instruments issued by the Company are treated as equity (i.e. forming part of shareholder's funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholder's funds are dealt with as appropriations in the reconciliation of movements in shareholder's funds.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred.

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that:

-provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

-where there are differences between amounts that can be deducted for tax for assets (other than goodwill) and liabilities compared with the amounts that are recognised for those assets and liabilities in a business combination a deferred tax liability/(asset) shall be recognised. The amount attributed to goodwill is adjusted by the amount of the deferred tax recognised; and

-unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Notes (continued)

2 Directors and staff costs

The Company has no employees other than the directors. The directors received no remuneration in either the current and preceding periods from the Company in respect of their services to the Company.

3 Interest payable

	2016 £000	2015 £000
Interest on loan stock	894	894

4 Operating loss

Operating loss is stated after charging the following:

	2016 £000	2015 £000
Auditors remuneration: Audit of these financial statements	-	-

Auditors remuneration of £1,500 (2015: £1,500) was borne by the parent company.

5 Fixed asset investment

	£000
As at 31 October 2016 and 31 October 2015	-

The Company in which the Company's interest at the year end is more than 20% is as follows:

Subsidiary undertaking	Country of incorporation	Principal activity	Partnership Interest %	Net assets £000
Four Seasons Sunrooms Acquisition Partnership	USA	Retail of Sunrooms	50	27,612

6 Creditors: amounts falling due after one year

	2015 £000	2014 £000
Accrued interest	7,527	6,633
Secured loan notes	2,450	2,450
Unsecured loan notes	5,000	5,000
	14,977	14,083

Notes (continued)

On 14 November 2006, the Company issued £2,450,000, 12% fixed rate, secured loan notes. The interest and capital was due on the maturity date of 31 October 2013 or immediately if the Company ceases to trade. No payments can be made under the loan notes, however, without the consent of the senior debt provider to the parent company, NE Investments Limited. The loan notes are secured on the investment in Four Seasons Partnership.

On 4 September 2007, the Company issued £5,000,000, 12% fixed rate, unsecured loan notes. The interest and capital was due on the maturity date of 31 October 2013 or immediately if the Company ceases to trade. No payments can be made under the loan notes, however, without the consent of the senior debt provider to the parent company, NE Investments Limited.

The payment of interest and capital on these secured and unsecured notes is subordinated, under the terms of an inter-creditor agreement, behind the repayment of senior debt by the Four Seasons Partnership and the Company's parent undertaking, NE Investments Limited.

7 Called up share capital

	2016 £	2015 £
<i>Allotted, called up and fully paid</i>		
Equity – 1 ordinary share of £1	1	1

8 Related party transactions

There were no related party transactions in the current year or preceding year.

9 Financial instruments

	2016 £000's	2015 £000's
<i>Financial assets</i>		
Assets held at amortised cost	-	-
<i>Financial liabilities</i>		
Liabilities held at amortised cost	14,977	14,083

Financial liabilities measured at amortised cost comprise loan notes and accrued interest

10 Ultimate parent undertaking

The Company is a wholly owned subsidiary undertaking of NE Investments Ltd, a Company registered in England and Wales. Copies of these accounts can be obtained from Fourth Floor, Bow Chambers, 8 Tib Lane, Manchester, M2 4JB.

The ultimate controlling party is Brian Kennedy as he owns a majority stake in NE Investments Ltd

11 FRS102 Transition note

The policies applied under the entity's previous accounting framework are not materially different to FRS102 and have not impacted on equity or profit or loss.