COMPANY REGISTRATION NUMBER 08800984

LONDON IRISH CONSORTIUM (2013) LIMITED

FINANCIAL STATEMENTS

FOR THE PERIOD FROM 3rd DECEMBER 2013 TO 30th JUNE 2014

BREBNERS
Chartered Accountants & Statutory Auditor
130 Shaftesbury Avenue
London
W1D 5AR

LONDON IRISH CONSORTIUM (2013) LIMITED

FINANCIAL STATEMENTS

PERIOD FROM 3rd DECEMBER 2013 TO 30th JUNE 2014

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LONDON IRISH CONSORTIUM (2013) LIMITED

COMPANY INFORMATION

The board of directors	M Crossan P Cusack D Fitzgerald M Cusack M Bensted
Registered office	Hazlewood, Croysdale Avenue Green Street Sunbury on Thames Middlesex TW16 6QU
Auditor	Brebners Chartered Accountants & Statutory Auditor 130 Shaftesbury Avenue London W1D 5AR
Bankers	Allied Irish Bank Plc 10 Berkley Square Mayfair London W1J 6AA

LONDON IRISH CONSORTIUM (2013) LIMITED

STRATEGIC REPORT

PERIOD FROM 3rd DECEMBER 2013 TO 30th JUNE 2014

Principal Activities and Business Review

The principal activity of the company during the year was that of an investment holding company.

The principal activities of the company's subsidiary undertakings are those of the management of a professional rugby club and related activities.

On 13th December 2013 the company entered into an agreement whereby it is responsible for the trading activities of London Irish Holdings Limited and its subsidiaries, ensuring that these companies meet their working capital commitments and remain solvent.

Powerday Plc and P F Cusack (Tools Supplies) Limited have entered into an investment agreement with the company to ensure that adequate working capital is available to ensure the company meets their obligations for the period ending 1st September 2016.

Strategic Intentions

London Irish Consortium (2013) Limited short term intentions are: "firstly to ensure a stable platform for the Club to continue to operate, the emphasis being very much on supporting the performance of the professional team including the Academy and secondly to refocus the efforts of the executive team to grow revenues wherever possible, to begin the process of reducing trading losses which have been a significant obstacle for the Club in recent years."

The Company's long term vision for the Rugby Club "is that it is re-established as a major force in the top division of professional rugby, that it reconnects with its support base, in terms of both business and community participation and that it generates sufficient revenues from both core and non-core activities to sustain itself going forward, ultimately providing a reasonable level of return for those investing in it. The vision is not to simply act as a financial benefactor, but to invest wherever necessary to re-build London Irish into a business which can stand on its own two feet and flourish as a 'community-based' rugby institution embracing all levels of the game from grass roots rugby through to the professional ranks."

The significant financial commitments entered into by the company and its shareholders demonstrate their shared long term intentions.

London Irish Consortium (2013) Limited has no strategic plans for London Irish that would change in the short term its existing focus or operations, nor does it have any intention to change the location of London Irish's places of business, save for the move to the new training facility in Hazelwood which is planned to take place in summer 2014. A review of all areas of the business performance may however lead to some re-organisation of the business.

Financial Key Performance Indicators

The directors measure the performance of the group as a whole rather than by individual entity.

There are numerous other non-financial performance indicators used by the directors but none are considered to be key.

Principal Risks and Uncertainties

The Board is of the opinion that the company is not exposed to tangible, financial or non-financial risks other than those inherent to the group's line of business.

Operating as a holding company and guarantor for the London Irish Holdings Limited group (as disclosed above) the company faces various internal and external risks. These include market risks, legislative, regulatory and environmental risks impacting upon the London Irish Holdings Limited group all of which could conceivably have an impact on the company's long term performance. The risks specific to the London Irish Holdings Limited group are detailed in the Strategic Report of that company. London Irish Consortium (2013) Limited manages the risks inherent to its operations in order to mitigate exposure to all forms of risk, when practical. The company transfers as much risk to insurers as is practicable and cost effective.

LONDON IRISH CONSORTIUM (2013) LIMITED

STRATEGIC REPORT *(continued)*

PERIOD FROM 3rd DECEMBER 2013 TO 30th JUNE 2014

The company's principal financial instruments comprise bank balances and intragroup indebtedness. These instruments enable the company to finance its operations and those of its subsidiary undertakings.

The company operates as an investment holding company and does not currently generate revenue. The company closely monitors the performance of its investments, and the principal risks and uncertainties impacting upon the London Irish Holdings Limited group are detailed in the Strategic Report within the financial statements of that company.

The company's policy is to maintain borrowings at a level such that they provide access to funds sufficient to meet all of its foreseeable requirements, and commitments.

The company has relied on financing from its shareholders who have undertaken to provide the necessary finance and support to the company until 1st September 2016.

The company has no significant exchange rate risk as it carries out its operations wholly within the UK and its transactions are principally contracted in sterling.

Signed on behalf of the directors

Michael Crossan

M Crossan
Director

Approved by the directors on 29/01/15

LONDON IRISH CONSORTIUM (2013) LIMITED

DIRECTORS' REPORT

PERIOD FROM 3rd DECEMBER 2013 TO 30th JUNE 2014

The directors present their report and the financial statements of the company for the period from 3rd December 2013 to 30th June 2014.

INCORPORATION

The company was incorporated on 3rd December 2013.

On 13th December 2013 the company acquired approximately 52.89% of London Irish Holdings Limited, becoming the immediate controlling party on that date. This acquisition triggered a requirement for the company to make a mandatory offer, under the terms of Rule 9 of the City code on Takeovers and Mergers, for the remaining share capital at the original offer price of 5p per share.

Having complied with the terms of the code and following the mandatory offer, on 11th February 2014 a further 27.87% of the share capital of London Irish Holdings Limited was acquired. An additional 3.14% was acquired on 13th June 2014 taking the total holding to approximately 84%.

RESULTS AND DIVIDENDS

The loss for the period amounted to £10,185. The directors have not recommended a dividend.

DIRECTORS

The directors who served the company during the period were as follows:

M Crossan	(Appointed 3rd December 2013)
P Cusack	(Appointed 3rd December 2013)
D Fitzgerald	(Appointed 11th December 2013)
M Cusack	(Appointed 11th December 2013)
M Bensted	(Appointed 11th December 2013)

DIRECTORS' RESPONSIBILITIES

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 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 accounting 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.

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.

LONDON IRISH CONSORTIUM (2013) LIMITED

DIRECTORS' REPORT *(continued)*

PERIOD FROM 3rd DECEMBER 2013 TO 30th JUNE 2014

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

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Signed on behalf of the directors

Michael Crossan

M Crossan
Director

Approved by the directors on 29/01/15

LONDON IRISH CONSORTIUM (2013) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LONDON IRISH CONSORTIUM (2013) LIMITED

PERIOD FROM 3rd DECEMBER 2013 TO 30th JUNE 2014

We have audited the financial statements of London Irish Consortium (2013) Limited for the period from 3rd December 2013 to 30th June 2014 on pages 8 to 16. 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 shareholders, 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 shareholders 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 shareholders 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 pages 4 to 5, 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 company's affairs as at 30th June 2014 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

LONDON IRISH CONSORTIUM (2013) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LONDON IRISH CONSORTIUM (2013) LIMITED *(continued)*

PERIOD FROM 3rd DECEMBER 2013 TO 30th JUNE 2014

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.

Brebners

JOHN CRAIG (Senior Statutory Auditor)
For and on behalf of
BREBNERS
Chartered Accountants
& Statutory Auditor

130 Shaftesbury Avenue
London
W1D 5AR

30/1/15

LONDON IRISH CONSORTIUM (2013) LIMITED

PROFIT AND LOSS ACCOUNT

PERIOD FROM 3rd DECEMBER 2013 TO 30th JUNE 2014

	Note	Period from 3 Dec 13 to 30 Jun 14 £
TURNOVER		–
Administrative expenses		10,185
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(10,185)
Tax on loss on ordinary activities	4	–
LOSS FOR THE FINANCIAL PERIOD		(10,185)

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

The company has no recognised gains or losses other than the results for the period as set out above.

LONDON IRISH CONSORTIUM (2013) LIMITED

BALANCE SHEET

30th JUNE 2014

	Note	30 Jun 14 £
FIXED ASSETS		
Investments	5	2,170,439
CURRENT ASSETS		
Debtors due after one year	6	1,563,087
Cash at bank		40,946
		1,604,033
CREDITORS: Amounts falling due within one year	7	10,000
NET CURRENT ASSETS		1,594,033
TOTAL ASSETS LESS CURRENT LIABILITIES		3,764,472
CREDITORS: Amounts falling due after more than one year	8	1,637,127
		2,127,345
CAPITAL AND RESERVES		
Called-up equity share capital	10	2,137,530
Profit and loss account	11	(10,185)
SHAREHOLDERS' FUNDS	12	2,127,345

These accounts were approved by the directors and authorised for issue on 29/01/15....., and are signed on their behalf by:

Michael Crossan

M Crossan
Director

Company Registration Number: 08800984

LONDON IRISH CONSORTIUM (2013) LIMITED

CASH FLOW STATEMENT

PERIOD FROM 3rd DECEMBER 2013 TO 30th JUNE 2014

	Period from 3 Dec 13 to 30 Jun 14 £
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	(1,563,272)
ACQUISITIONS AND DISPOSALS	
Acquisition of shares in group undertakings	(2,170,439)
NET CASH OUTFLOW FROM ACQUISITIONS AND DISPOSALS	(2,170,439)
CASH OUTFLOW BEFORE FINANCING	(3,733,711)
FINANCING	
Issue of equity share capital	2,137,530
New amounts owed to group undertakings	1,404,298
Repayment of long-term amounts owed to group undertakings	(205)
Net inflow from other long-term creditors	233,034
NET CASH INFLOW FROM FINANCING	3,774,657
INCREASE IN CASH	40,946

RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	Period from 3 Dec 13 to 30 Jun 14 £
Operating loss	(10,185)
Increase in debtors	(1,563,087)
Increase in creditors	10,000
Net cash outflow from operating activities	(1,563,272)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	30 Jun 14 £
Increase in cash in the period	40,946
Net cash (inflow) from long-term amounts owed to group undertakings	(1,404,093)
Net cash (inflow) from other long-term creditors	(233,034)
	(1,596,181)
Change in net debt	(1,596,181)
Net funds at 3 December 2013	–
Net debt at 30 June 2014	(1,596,181)

LONDON IRISH CONSORTIUM (2013) LIMITED

CASH FLOW STATEMENT

PERIOD FROM 3rd DECEMBER 2013 TO 30th JUNE 2014

ANALYSIS OF CHANGES IN NET DEBT

	At 3 Dec 2013	Cash flows	At 30 Jun 2014
	£	£	£
Net cash:			
Cash in hand and at bank	–	40,946	40,946
Debt:			
Debt due after 1 year	–	(1,637,127)	(1,637,127)
Net debt	–	(1,596,181)	(1,596,181)

LONDON IRISH CONSORTIUM (2013) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 3rd DECEMBER 2013 TO 30th JUNE 2014

1. ACCOUNTING POLICIES

Basis of accounting

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

Basis of preparation

The company had net assets at the balance sheet date of £2,137,344 including cash at bank of £40,946. During the period pre-tax losses amounted to £186.

Overall, as at 30th June 2014, the group of which the company is a member had net assets of £29,719,847 including cash at bank of £3,262,399 and made a pre-tax profit for the year then ended of £3,853.522.

The company, and the group of which it is a member, meets its day to day working capital requirements through a combination of existing resources, normal trading terms, hire purchase finance and bank facilities.

The parent company's latest management accounts show continued profitability in its core waste management business. As a consequence and with the ongoing support of the parent company, the directors believe that London Irish Consortium (2013) Limited is well placed to manage its business risks successfully and to fulfill the guarantees made by it to The London Irish Holdings Limited group, for the forseeable future.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt going concern basis in preparing the annual report and accounts.

Deferred taxation

Deferred taxation is recognised in respect of all timing difference that have originated but not reversed at the balance sheet date where transaction or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Consolidation

The company was, at the end of the year, a subsidiary of another company incorporated in the EEA and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts. The accounts therefore disclose details of the company as an individual undertaking and not its group.

LONDON IRISH CONSORTIUM (2013) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 3rd DECEMBER 2013 TO 30th JUNE 2014

2. OPERATING LOSS

Operating loss is stated after charging:

	Period from 3 Dec 13 to 30 Jun 14 £
Directors' remuneration	–
Auditor's remuneration - audit of the financial statements	6,000
Auditor's remuneration - other fees	4,000

	30 Jun 14 £
Auditor's remuneration - audit of the financial statements	6,000

Auditor's remuneration - other fees:

- Taxation services	4,000

3. PARTICULARS OF EMPLOYEES

Other than the 5 directors who served during the period, the company had no employees.

No salaries or wages have been paid to employees including the directors, during the period.

4. TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the period

The tax assessed on the loss on ordinary activities for the year is at the standard rate of corporation tax in the UK (20%).

Factors affecting current tax charge

	Period from 3 Dec 13 to 30 Jun 14 £
Loss on ordinary activities before taxation	(10,185)
Loss on ordinary activities by rate of tax	(2,037)
Tax losses carried forward	2,037
Total current tax	-

LONDON IRISH CONSORTIUM (2013) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 3rd DECEMBER 2013 TO 30th JUNE 2014

5. INVESTMENTS

	Shares in subsidiary undertakings
	£
COST	
Additions	2,170,439
At 30th June 2014	2,170,439
NET BOOK VALUE	
At 30th June 2014	2,170,439

Shares in subsidiary undertakings

The principal subsidiary undertakings of London Irish Consortium (2013) Limited are listed below. At 30th June 2014 the company held a direct beneficial interest in 84% of the ordinary share capital of London Irish Holdings Limited, a professional rugby club registered in England and Wales, and holding a beneficial interest in 20% or more of the share capital of the following principal companies.

Principal indirectly held undertakings

London Irish Scottish Richmond Limited	Ordinary	100%	Professional Rugby Club
London Irish Rugby Football Ground Limited	Ordinary	100%	Land Ownership
Sundear Limited	Ordinary	100%	Non-Trading

During the year London Irish Rugby Football club (limited by guarantee), a non-trading 100% subsidiary of London Irish Holdings Limited, was dissolved.

5. **INVESTMENTS** *(continued)*

6. **DEBTORS**

	30 Jun 14
	£
Amounts owed by group undertakings	1,563,087

The debtors above include the following amounts falling due after more than one year:

	30 Jun 14
	£
Amounts owed by group undertakings	1,563,087

7. **CREDITORS: Amounts falling due within one year**

	30 Jun 14
	£
Accruals and deferred income	10,000

8. **CREDITORS: Amounts falling due after more than one year**

	30 Jun 14
	£
Amounts owed to group undertakings	1,404,093
Other creditors	233,034
	1,637,127

9. **RELATED PARTY TRANSACTIONS**

Control

Control and ultimate control vests with the parent undertaking, Powerday Plc, as shown in note 12 to the accounts.

Related Party Transactions

Included within debtors due after more than one year are amounts of £1,563,087 advanced by the company to London Irish Scottish Richmond Limited. No interest was charged on these amounts, and as at 30th June 2014 a total of £1,563,087 remains outstanding. No set repayment terms are in place.

Included within creditors due after more than one year are amounts of £1,404,093 advanced to the company by Powerday Plc, the ultimate parent undertaking. No interest was charged on these amounts, and as at 30th June 2014 a total of £1,404,093 remains outstanding. No set repayment terms are in place.

Included within other creditors due after more than one year is a balance of £233,034 advanced by P.F Cusack (Tool Supplies) Limited, of which P Cusack director of London Irish Consortium (2013) Limited is a director and majority shareholder. No interest was charged on these amounts, and no set repayment terms are in place.

LONDON IRISH CONSORTIUM (2013) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 3rd DECEMBER 2013 TO 30th JUNE 2014

10. SHARE CAPITAL

Allotted, called up and fully paid:

	No	£
Ordinary shares of £0.05 each	42,750,597	2,137,530

11. PROFIT AND LOSS ACCOUNT

	Period from 3 Dec 13 to 30 Jun 14 £
Loss for the financial period	(10,185)
Balance carried forward	(10,185)

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30 Jun 14 £
Loss for the financial period	(10,185)
New ordinary share capital subscribed	2,137,530
Net addition to shareholders' funds	2,127,345
Closing shareholders' funds	2,127,345

13. ULTIMATE PARENT COMPANY

The directors consider the ultimate parent and ultimate controlling undertaking to be Powerday Plc, which is the parent of the largest group of which the company is a member, and for which group financial statements are prepared. The consolidated financial statements of Powerday Plc are available from Companies House.