

## **KENNEDY VENTURES PLC**

**Interim statement for the 6 months ended 31 December 2013**

### **Chairman's Statement**

As shareholders will recall, I commented in my Chairman's Statement in relation to the accounts for the year ended 30 June 2013, the Company needed to be refinanced in order to give it the resources needed to act effectively and attract a worthwhile transaction. The limited scale of the rescue refinancing and the costs incurred then and subsequently in clearing away the problems of the past left it frankly sub-scale as an AIM investing company and it was to a large extent dependent on a term loan for its financial viability, matters which we now have under active review.

During the half-year now under review, Kennedy's costs were materially reduced compared to those incurred in the previous two half-year periods but remained too high for a company of its size. Costs in the current trading period should be materially lower.

**Peter Redmond**  
*Chairman*

21 March 2014

### **FOR FURTHER INFORMATION, PLEASE CONTACT:**

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**KENNEDY VENTURES PLC**  
**UNAUDITED INCOME STATEMENT**  
for the period ended 31 December 2013

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| Note | Six months<br>ended<br>31 December<br>2013 | Six months<br>ended<br>31 December<br>2012 | Year ended<br>30 June<br>2013 |
|------|--|--|-------------------------------|
|------|--|--|-------------------------------|

|  |   | £'000          | £'000          | £'000           |
|--|---|----------------|----------------|-----------------|
| <b>Continuing Operations</b>           |   |                |                |                 |
| Loss on disposal of investments        |   | -              | -              | (6)             |
| Administrative expenses                |   | (60)           | (102)          | (133)           |
| <b>OPERATING LOSS</b>                  |   | <b>(60)</b>    | <b>(102)</b>   | <b>(139)</b>    |
| Financial income                       |   | -              | -              | -               |
| <b>LOSS BEFORE TAX</b>                 |   | <b>(60)</b>    | <b>(102)</b>   | <b>(139)</b>    |
| Income tax                             | 3 | -              | -              | -               |
| <b>LOSS FOR THE FINANCIAL PERIOD</b>   |   | <b>(60)</b>    | <b>(102)</b>   | <b>(139)</b>    |
| <b>Basic loss per ordinary share</b>   | 4 | <b>(0.22)p</b> | <b>(0.38)p</b> | <b>( 0.51)p</b> |
| <b>Diluted loss per ordinary share</b> | 4 | <b>(0.22)p</b> | <b>(0.37)p</b> | <b>( 0.51)p</b> |

**KENNEDY VENTURES PLC**  
**UNAUDITED STATEMENT OF CHANGES IN EQUITY**  
for the period ended 31 December 2013

|                               | Six months<br>ended<br>31 December<br>2013<br>£'000 | Six months<br>ended<br>31 December<br>2012<br>£'000 | Year ended<br>30 June<br>2013<br>£'000 |
|-------------------------------|---|---|--|
| At beginning of period        | 99  | 238   | 238                                    |
| Loss for the financial period | (60)  | (102)   | (139)                                  |
| <b>AT END OF PERIOD</b>       | <b>39</b>   | <b>136</b>  | <b>99</b>                              |

Equity comprises share capital, share premium, capital redemption reserve and retained profit.

**KENNEDY VENTURES PLC**  
**UNAUDITED BALANCE SHEET**  
as at 31 December 2013

|                                | Note | 31 December<br>2013<br>£'000 | 31 December<br>2012<br>£'000 | 30 June<br>2013<br>£'000 |
|--------------------------------|------|------------------------------|------------------------------|--------------------------|
| <b>NON CURRENT ASSETS</b>      |      |                              |                              |                          |
| Available for sale Investments |      | 55                           | 55                           | 77                       |
| <b>CURRENT ASSETS</b>          |      |                              |                              |                          |
| Trade and other receivables    |      | 9                            | 32                           | 25                       |

|                                |   |                     |                    |                     |
|--------------------------------|---|---------------------|--------------------|---------------------|
| Cash and cash equivalents      |   | 203                 | 134                | 206                 |
|                                |   | <u>212</u>          | <u>166</u>         | <u>231</u>          |
| <b>TOTAL ASSETS</b>            |   | <b><u>267</u></b>   | <b><u>221</u></b>  | <b><u>308</u></b>   |
| <b>CURRENT LIABILITIES</b>     |   |                     |                    |                     |
| Trade and other payables       |   | (78)                | (85)               | (59)                |
|                                |   | <u>(78)</u>         | <u>(85)</u>        | <u>(59)</u>         |
| <b>NON CURRENT LIABILITIES</b> |   |                     |                    |                     |
| Secured loan notes             | 5 | (150)               | -                  | (150)               |
| <b>TOTAL LIABILITIES</b>       |   | <b><u>(228)</u></b> | <b><u>(85)</u></b> | <b><u>(209)</u></b> |
| <b>NET ASSETS</b>              |   | <b><u>39</u></b>    | <b><u>136</u></b>  | <b><u>99</u></b>    |
| <b>EQUITY</b>                  |   |                     |                    |                     |
| Share capital                  | 8 | 271                 | 271                | 271                 |
| Share premium account          |   | 7,571               | 7,571              | 7,571               |
| Capital redemption reserve     |   | 2,077               | 2,077              | 2,077               |
| Retained earnings              |   | (9,880)             | (9,783)            | (9,820)             |
| <b>TOTAL EQUITY</b>            |   | <b><u>39</u></b>    | <b><u>136</u></b>  | <b><u>99</u></b>    |

#### KENNEDY VENTURES PLC

#### UNAUDITED CASH FLOW STATEMENT

for the period ended 31 December 2013

|  | Note | Six months ended<br>31 December<br>2013<br>£'000 | Six months ended<br>31 December<br>2012<br>£'000 | Year ended<br>30 June<br>2013<br>£'000 |
|--|------|--|--|--|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>               |      |  |  |  |
| Net cash used in operating activities                    | 6    | (25)   | (225)  | (297)                                  |
| <b>NET CASH USED IN OPERATING ACTIVITIES</b>             |      | <b><u>(25)</u></b>                               | <b><u>(225)</u></b>                              | <b><u>(297)</u></b>                    |
| <b>INVESTING ACTIVITIES</b>                              |      |  |  |  |
| Purchase of available for sale investments               |      | -  | (55)   | (175)                                  |
| Proceeds from disposal of available for sale investments |      | 22   |  | 114                                    |
| <b>NET CASH FROM / (USED IN) INVESTING ACTIVITIES</b>    |      | <b><u>22</u></b>                                 | <b><u>(55)</u></b>                               | <b><u>(61)</u></b>                     |
| <b>FINANCING ACTIVITIES</b>                              |      |  |  |  |
| Net proceeds from loan note issue                        |      | -  | -  | 150                                    |
| <b>NET CASH FROM FINANCING ACTIVITIES</b>                |      | <b><u>-</u></b>                                  | <b><u>-</u></b>                                  | <b><u>150</u></b>                      |
| <b>NET DECREASE IN CASH</b>                              |      | <b>(3)</b>                                       | <b>(280)</b>                                     | <b>(208)</b>                           |
| <b>CASH AT THE BEGINNING OF PERIOD</b>                   |      | <b>206</b>                                       | <b>414</b>                                       | <b>414</b>                             |
| <b>CASH AT THE END OF THE PERIOD</b>                     |      | <b><u>203</u></b>                                | <b><u>134</u></b>                                | <b><u>206</u></b>                      |

**KENNEDY VENTURES PLC**  
**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**  
for the period ended 31 December 2013

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**1 GENERAL INFORMATION AND ACCOUNTING POLICIES**

These interim consolidated financial statements are for the six months ended 31 December 2013. The interim financial report, which has not been audited or reviewed, has been prepared in accordance with International Financial Reporting Standards (IFRS) adopted for use in the European Union.

The information for the period ended 30 June 2013 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditors reported on those accounts: their report was unqualified but contained the following words representing an emphasis of matter:

"Emphasis of Matter - Going Concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements concerning the Company's ability to continue as a going concern. The conditions explained in note 2 to the financial statements indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company were unable to continue as a going concern."

The annual financial statements are prepared in accordance with applicable IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting", as adopted by the European Union.

The same accounting policies, presentation and methods of computation are followed in the condensed set of financial statements as applied in the Group's latest audited financial statements.

**Going concern**

The Directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**2 BUSINESS, GEOGRAPHICAL AND SEGMENTAL REPORTING**

The Group's operations were only in the United Kingdom and relate solely to the Company's operations as an investing company seeking investments in businesses including those with the potential to be provided with management services by the Company.

**3 TAX**

Corporation tax charge for the six month period has been estimated at £nil (six months ended 31 December 2012 and year ended 30 June 2013: £nil). No deferred tax asset has been recognised in relation to the losses in the period.

**KENNEDY VENTURES PLC**  
**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**  
For the period ended 31 December 2013

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**4 EARNINGS PER ORDINARY SHARE**

The calculation of basic and diluted loss per share is based on the following data:

|                               | Six months<br>ended<br>31 December<br>2013<br>£'000 | Six months<br>ended<br>31 December<br>2012<br>£'000 | Year ended<br>30 June<br>2013<br>£'000 |
|-------------------------------|---|---|--|
| Loss for the financial period | <u>(60)</u>   | <u>(102)</u>  | <u>(139)</u>                           |

**Number of shares**

|   |            |            |            |
|---|------------|------------|------------|
| Weighted average number of ordinary shares for the purposes of basic earnings per share | 27,098,000 | 27,098,000 | 27,098,000 |
|---|------------|------------|------------|

|  |                   |                   |                   |
|--|-------------------|-------------------|-------------------|
| Potentially dilutive ordinary shares   | -                 | 420,645           | 290,067           |
| Weighted average number of shares for the purposes of diluted earnings per share | <u>27,098,000</u> | <u>27,518,645</u> | <u>27,388,067</u> |
| Basic (loss) per ordinary share (pence)  | <u>(0.22)</u>     | <u>(0.38)</u>     | <u>(0.51)</u>     |
| Diluted (loss) per ordinary share (pence)  | <u>(0.22)</u>     | <u>(0.37)</u>     | <u>(0.51)</u>     |

## 5 BORROWINGS

|                    | Six months ended<br>31 December<br>2013<br>£'000 | Six months ended<br>31 December<br>2012<br>£'000 | Year ended<br>30 June<br>2013<br>£'000 |
|--------------------|--|--|--|
| Secured loan notes | <u>150</u>                                       | <u>-</u>   | <u>150</u>                             |

On 10<sup>th</sup> May 2013 the Company issued £150,000 secured loan notes repayable on 31 October 2014, on which there is a facility fee at the rate of £2,000 per quarter, payable on redemption.

## KENNEDY VENTURES PLC

### NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the period ended 31 December 2013

## 6 NOTES TO THE CASH FLOW STATEMENT

|  | Six months ended<br>31 December<br>2013<br>£'000 | Six months ended<br>31 December<br>2012<br>£'000 | Year ended<br>30 June<br>2013<br>£'000 |
|--|--|--|--|
| <b>Operating loss</b>  | (60)   | (102)  | (139)                                  |
| Loss on disposal of investments                                | -  | -  | 6                                      |
| <b>Operating cash flows before movement in working capital</b> | <u>(60)</u>                                      | <u>(102)</u>                                     | <u>(133)</u>                           |
| Decrease in receivables  | 16   | 2  | 9                                      |
| (Decrease) / increase in payables                              | 19   | (125)  | (173)                                  |
| <b>Net cash flow from operating activities</b>                 | <u>(25)</u>                                      | <u>(225)</u>                                     | <u>(297)</u>                           |

## 7 DIVIDEND

No dividend is proposed in respect of the period to 31 December 2013 (period to 31 December 2012 and year to 31 December 2012: £nil).

## 8 SHARE CAPITAL

|   | 31 December<br>2013<br>£'000 | 30 December<br>2012<br>£'000 | 30 June<br>2013<br>£'000 |
|---|------------------------------|------------------------------|--------------------------|
| <b>Issued and fully paid</b>  |                              |                              |                          |
| 27,098,000 ordinary shares of 1p each (31 December 2012 and 30 June 2013: 27,098,000) | 271                          | 271                          | 271                      |

ordinary shares of 1p each)



Note

Following the change in the Company's Articles of Association approved by members in May 2012, the Company no longer has an authorised share capital.

On 25 May 2012 and in association with the CVA and Placing, the Company granted a warrant to subscribe shares representing 3% of the Company's issued ordinary share capital from time to time exercisable at 2 pence per share at any time up to 20 March 2015. Subsequently, it has been agreed with the holders that the warrant will be in respect of a fixed number of shares, being 1,142,940 ordinary shares

**9 RELATED PARTY TRANSACTIONS**

Apart from the remuneration of the Directors, who are key management personnel of the Group, there have been no other material transactions with the Board.

This information is provided by RNS  
The company news service from the London Stock Exchange

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