

Appendix 4E

Preliminary final report

Name of entity: UnderCoverWear Limited

ABN: 85 108 962 152

Details of the reporting period

Current period 1 July 2012 to 30 June 2013

Previous corresponding period 1 July 2011 to 30 June 2012

Results for announcement to the market

	\$	Up / down	Movement %
Revenues	8,016,760	down	30.3
(Loss) from ordinary activities after tax attributable to members	(1,365,404)	down	126.2
(Loss) for the period attributable to members	(1,365,404)	down	126.2

<i>Dividends</i>	Amount per share cents	Franked amount per security cents
Interim	-	-
Final	-	-
Record date for determining entitlements to dividends		N/A

Statement of Comprehensive Income

	Consolidated Entity	
	2013 \$	2012 \$
Revenue	8,016,760	11,493,915
Changes in inventories	(3,470,520)	(4,537,211)
Distribution costs	(572,006)	(643,025)
Commissions paid	(702,818)	(925,651)
Promotions and advertising expense	(642,999)	(698,758)
Depreciation and amortisation expense	(62,132)	(148,238)
Insurance expense	(99,820)	(127,369)
Employee benefits expense	(2,308,720)	(2,940,490)
Rental expenses	(769,021)	(1,061,768)
Finance costs	(107,481)	(141,997)
Other expenses	(646,647)	(804,121)
Loss before income tax expense	(1,365,404)	(534,713)
Income tax expense	-	(68,881)
Loss attributable to members of the parent entity	(1,365,404)	(603,594)
Other comprehensive income	-	-
Total comprehensive income for the year	(1,365,404)	(603,594)

Statement of Financial Position

	Consolidated Entity	
	2013 \$	2012 \$
CURRENT ASSETS		
Cash and cash equivalents	9,182	12,416
Trade and other receivables	129,797	91,743
Inventories	769,193	2,291,589
Other current assets	87,481	28,510
TOTAL CURRENT ASSETS	995,653	2,424,258
NON-CURRENT ASSETS		
Plant and equipment	238,887	374,731
TOTAL NON-CURRENT ASSETS	238,887	374,731
TOTAL ASSETS	1,234,540	2,798,989
CURRENT LIABILITIES		
Financial Liabilities	288,857	954,406
Trade and other payables	1,801,865	1,473,876
Short-term provisions	299,504	383,945
TOTAL CURRENT LIABILITIES	2,390,226	2,812,227
NON-CURRENT LIABILITIES		
Interest bearing liabilities	281,572	53,553
Long-term provisions	31,634	36,697
TOTAL NON-CURRENT LIABILITIES	313,206	90,250
TOTAL LIABILITIES	2,703,432	2,902,477
NET ASSETS	(1,468,892)	(103,488)
EQUITY		
Issued capital	22,809,146	22,809,146
Accumulated losses	(24,278,038)	(22,912,634)
TOTAL EQUITY	(1,468,892)	(103,488)

Statements of Cashflows

	Consolidated Entity	
	2012 \$	2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	8,002,450	11,575,581
Payments to suppliers and employees	(7,510,641)	(11,473,963)
Interest received	2	11,468
Dividends & trust distributions received	31	32
Finance costs	(107,481)	(141,997)
Income taxes paid	-	435,342
Net cash provided by / (used in) operating activities	384,361	406,463
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	239,407	373,503
Purchase of property, plant and equipment	(185,122)	(82,460)
Net cash provided by investing activities	54,285	291,043
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	228,763	-
Repayment of borrowings	-	(398,786)
Net cash used in financing activities	228,763	(398,786)
Net increase / (decrease) in cash & cash equivalents held	667,409	298,720
Cash & cash equivalents at beginning of financial year	(855,335)	(1,154,055)
Cash & cash equivalents at the end of financial year	(187,926)	(855,335)

Details of dividend / distribution reinvestment plan

At 30 June 2012, there was no dividend reinvestment plan in operation for UnderCoverWear Limited.

Retained Earnings

	Ordinary Share Capital	Accumulated Losses	Total
	\$	\$	\$
Consolidated Entity			
Balance at 30 June 2011	22,809,146	(22,309,040)	500,106
Total comprehensive income for the year	-	(603,594)	(603,594)
Balance at 30 June 2012	22,809,146	(22,912,634)	(103,488)
Total comprehensive income for the year	-	(1,365,404)	(1,365,404)
Balance at 30 June 2013	22,809,146	(24,278,038)	(1,468,892)

Net Tangible Assets per security

	30 June 2013	30 June 2012
Net tangible asset backing per ordinary security	(3.40)	(0.24)

Details of entities over which control has been gained or lost during the period

N/A

Details of associates and joint venture entities

N/A

Accounting standards

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Results for the period***Earnings per security***

	2013 \$	2012 \$
Basic loss per share (cents)	(3.16)	(1.40)
Diluted loss per share (cents)	(3.16)	(1.40)
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	43,200,000	43,200,000

Commentary on the results for the period**Qualification of audit / review**

The accounts are in the process of being audited and it is envisaged the audit report will be unqualified but will include an emphasis of matter on going concern.



Stuart Richardson
Director

Dated 30th August 2013