COMPANY REGISTRATION NUMBER 02217099

CONCESSIONS MANAGEMENT INTERNATIONAL LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

CONCESSIONS MANAGEMENT INTERNATIONAL LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

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CONCESSIONS MANAGEMENT INTERNATIONAL LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS	RM Constant BJ Muir A Brown
COMPANY SECRETARY	A Abioye
REGISTERED OFFICE	364-366 Kensington High Street London W14 8NS
AUDITOR	Grant Thornton UK LLP Chartered Accountants Statutory Auditor Grant Thornton House Melton Street Euston Square London NW1 2EP
BANKERS	HSBC PO Box 149 210 High Holborn London WC1V 7HD

CONCESSIONS MANAGEMENT INTERNATIONAL LIMITED

STRATEGIC REPORT

YEAR ENDED 31 DECEMBER 2013

The directors present their strategic report for the company for the period ended 31 December 2013

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the company are those of concessionaires at leisure and exhibition venues and merchandisers of licensed products

The result and position of the company as at and for the year ended 31 December 2013 are set out in the profit and loss account and balance sheet on pages 7 and 8 respectively

Turnover decreased by 12 5% compared to the prior year primarily due to a one off sales function at the London 2012 Olympics

Operating profit increased by £11,699 compared to the prior year primarily due to a higher volume of shows occurring in 2013

RESULTS AND DIVIDENDS

The company's profit after tax for the financial year was £13,039, which is more that the profit made in 2012 of £3,598 The main reason for the 2013 figure being higher than 2012 was due to additional revenues at a low margin achieved as a result of the Olympics that took place in 2012 There have been no dividends paid or declared during the year (2012 £nil)

PRINCIPAL RISKS AND UNCERTAINTIES

The company is faced with similar risks and uncertainties as other companies operating in the music concession business, broadly

- competition from other music concession companies

All risks and uncertainties are regularly monitored by the Board of Directors of the company

FUTURE DEVELOPMENTS

Notwithstanding the risks and uncertainties outlined below, the directors do not anticipate any significant change in the activities and results of the company in the foreseeable future

By order of the board

A Brown
Director
3 June 2014

CONCESSIONS MANAGEMENT INTERNATIONAL LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2013

The directors present their report and the financial statements of the company for the year ended 31 December 2013

DIRECTORS

The directors who served the company during the year and subsequently were as follows

RM Constant
BJ Muir
A Brown

POLICY ON THE PAYMENT OF CREDITORS

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all trading terms and conditions have been complied with

KEY PERFORMANCE INDICATIONS ("KPIS")

The Company's directors monitor business development, performance and position by analysing and understanding trends in gross merchandise sales value, gross profit, operating profit after tax and cashflows compared to budget and detailed quarterly forecast as well as prior year results

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report and 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 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

CONCESSIONS MANAGEMENT INTERNATIONAL LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2013

In so far as each of the directors at the date of approving this report are 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

By order of the board

A Abioye
Company Secretary
3 June 2014

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONCESSIONS MANAGEMENT INTERNATIONAL LIMITED

YEAR ENDED 31 DECEMBER 2013

We have audited the financial statements of Concessions Management International Limited for the year ended 31 December 2013 which comprise Profit and Loss Account, Balance Sheet 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)

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 set out on page 3, 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 (APB'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/apb/scope/private cfm

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 31 December 2013 and of its profit 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 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

Grant Thornton UK LLP

Steven Leith
Senior Statutory Auditor
For and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
3 June 2014

Company Registration Number 02217099

CONCESSIONS MANAGEMENT INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 £	2012 £
TURNOVER	2	3,706,822	4,235,121
Cost of sales		(3,426,707)	(3,978,194)
GROSS PROFIT		280,115	256,927
Administrative expenses		(264,751)	(253,262)
OPERATING PROFIT	3	15,364	3,665
Interest receivable and similar income	5	6,680	4,382
Interest payable and similar charges	6	(379)	(459)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		21,665	7,588
Tax on profit on ordinary activities	7	(8,626)	(3,990)
PROFIT FOR THE FINANCIAL YEAR		13,039	3,598

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

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

The notes on pages 9 to 15 form part of these financial statements

CONCESSIONS MANAGEMENT INTERNATIONAL LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	8	94,592	161,306
CURRENT ASSETS			
Debtors	9	1,206,233	1,232,888
Cash at bank		901,095	474,484
		2,107,328	1,707,372
CREDITORS: Amounts falling due within one year	11	(1,476,345)	(1,156,142)
NET CURRENT ASSETS		630,983	551,230
TOTAL ASSETS LESS CURRENT LIABILITIES		725,575	712,536
CAPITAL AND RESERVES			
Called-up equity share capital	14	101	101
Share premium account	15	199,999	199,999
Profit and loss account	15	525,475	512,436
EQUITY SHAREHOLDERS' FUNDS	15	725,575	712,536

These accounts were approved by the board of directors and authorised for issue on 3 June 2014 and are signed on their behalf by

A Brown

Company Registration Number 02217099

The notes on pages 9 to 15 form part of these financial statements

CONCESSIONS MANAGEMENT INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

1 ACCOUNTING POLICIES

Basis of preparation

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

The principal accounting policies are described below They have been applied consistently throughout the current and preceding year

As the Company is a wholly owned subsidiary of Vivendi SA, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group

The accounts have been prepared on a going concern basis as the company has sufficient cash balance and working capital to manage further operations

As the ultimate parent undertaking prepares publicly available consolidated accounts and is incorporated within the European Union the company has taken advantage of the exemption under section 400 of the Companies Act 2006 from preparing consolidated accounts As such, these financial statements give information about the company as an individual undertaking and not about its group

The financial statements have been prepared on a going concern basis as the company has received confirmation from Societe d'investisseents et de Gestion 104, the company's intermediate parent undertaking, of it's intention to continue to provide financial and other support to the extent necessary to enable the company to continue to pay its liabilities as and when they become due for a period not less than one year from the date of approval of these financial statements Having regard to this intention, the directors believe it is appropriate to prepare these financial statements on a going concern basis

Cash flow statement and related party disclosures

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that the ultimate parent undertaking includes the Company in its own published consolidated financial statements

Revenue

Turnover represents the invoiced value of goods and services supplied by the company net of value added tax

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured

Tangible fixed assets and depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Office Equipment - 3 years straight line

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on a straight line basis over the period of the lease

1 ACCOUNTING POLICIES *(continued)*

Taxation

The charge/(credit) for taxation is based on the profit/(loss) for the period and takes into account taxation deferred because of the timing differences between the treatment of certain items for the taxation and accounting purposes

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date result in an obligation to pay more tax in the future or a right to pay less tax in the future

Timing differences are differences between the company's taxable profit and loss and its results as stated in the financial statements No deferred tax is recognised on permanent differences

Deferred tax is measured at the average tax rates that are expected to apply in the period in which the timing differences are expected to reverse, based on tax rates and law that have been enacted or substantively enacted by the balance sheet date Deferred tax is measured on a non-discounted basis Deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Foreign currency translation

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction Exchange differences are recorded in the profit and loss account

Interest-bearing loans and borrowings

All interest-bearing loans and borrowings are initially recognised at net proceeds Interest bearing debt is increased by the finance cost in respect of the reporting period and reduced by any settlement made Interest is charged and earned on a fixed element of the debt at an arms length rate

All (other) amounts owed by/to group undertakings are due to UK group undertakings, are unsecured and repayable on demand Interest accrues on these amounts excluding group relief at rates between 1 month LIBOR and 1 month LIBOR plus 1%

2 **TURNOVER**

The directors consider that the company's turnover derived from its principal activity, which was carried out within the United Kingdom

3 **OPERATING PROFIT**

Operating profit is stated after charging

	2013	2012
	£	£
Depreciation of owned fixed assets	58,732	26,017
Auditor's remuneration - audit of the financial statements	4,055	–
Operating lease costs		
- Land and buildings	11,945	14,356
Net loss on foreign currency translation	749	2,964

The auditors remuneration was borne by a fellow group entity in 2012, but was recharged to CMI in 2013

4 PARTICULARS OF EMPLOYEES

The company has no employees and they receive no remuneration in respect of their services to the company

5 INTEREST RECEIVABLE AND SIMILAR INCOME

	2013 £	2012 £
Interest receivable from group undertakings	6,680	4,382

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2013 £	2012 £
Interest payable to group undertakings	379	459

7 TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of (credit) / charge in the year

	2013 £	2012 £
Current tax:		
UK Corporation tax on profit/loss for the year	-	-
Group relief payable for losses surrendered from other group undertakings	20,314	9,485
Total current tax	20,314	9,485
Deferred tax		
Origination and reversal of timing differences (note 10)		
Capital allowances	(11,688)	(5,495)
Tax on profit on ordinary activities	8,626	3,990

7. TAX ON PROFIT ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 23 25% (2012 - 24 50%)

The tax assessed on the profit/(loss) on ordinary activities for the year is higher than the average rate of corporation tax in the UK of 23 25% (2012 - 24 5%) The Finance Act 2013 enacted reductions in the UK corporate tax rate to 21% from April 2014 and 20% from April 2015 Deferred tax assets and liabilities are measured at the rate that is expected to apply to the accounting period when the asset is realised or the liability is settled, based on the above rates

	2013	2012
	£	£
Profit on ordinary activities before taxation	21,665	7,588
Profit on ordinary activities at the standard rate of UK Corporation tax of 23 25% (2012 24 50%)	5,037	1,859
Expenses not deductible for tax purposes	1,621	1,252
Movement in timing differences	11,688	5,495
Impact of change in tax rate	1,968	879
Current tax charge for the financial year	20,314	9,485

(c) Factors that may affect future tax charges

No deferred tax asset has been recognised in respect of these losses due to uncertainty as to their future recoverability

8 TANGIBLE FIXED ASSETS

	Office equipment
	£
COST	
At 1 January 2013	187,323
Disposals	(7,982)
At 31 December 2013	179,341
DEPRECIATION	
At 1 January 2013	26,017
Charge for the year	58,732
At 31 December 2013	84,749
NET BOOK VALUE	
At 31 December 2013	94,592
At 31 December 2012	161,306

9 DEBTORS

	2013 £	2012 £
Trade debtors	295	366,638
Amounts owed by group undertakings	986,638	679,989
Other debtors	188,381	100,389
Prepayments and accrued income	6,750	73,391
Deferred taxation (note 10)	24,169	12,481
	1,206,233	1,232,888

10 DEFERRED TAXATION

The deferred tax included in the Balance sheet is as follows

	2013 £	2012 £
Included in debtors (note 9)	24,169	12,481

The movement in the deferred taxation account during the year was

	2013 £	2012 £
Balance brought forward	12,481	6,986
Profit and loss account movement arising during the year	11,688	5,495
Balance carried forward	24,169	12,481

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of

	2013 £	2012 £
Excess of depreciation over taxation allowances	24,169	12,481
	24,169	12,481

11 CREDITORS. Amounts falling due within one year

	2013 £	2012 £
Trade creditors	106,426	363,283
Amounts owed to group undertakings	373,716	323,169
Other taxation and social security	-	43,932
VAT	137,501	-
Other creditors	299,619	-
Accruals and deferred income	559,083	425,758
	1,476,345	1,156,142

12. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings	
	2013	2012
	£	£
Operating leases which expire		
Within 2 to 5 years	27,780	21,217

13 CAPITAL COMMITMENTS

The company had no capital commitments at 31 December 2013 or 31 December 2012

14 SHARE CAPITAL

Authorised share capital

	2013	2012
	£	£
1,000 Ordinary shares of £1 each	1,000	1,000

Allotted, called up and fully paid·

	2013		2012	
	No	**£**	No	£
Ordinary shares of £1 each	101	101	101	101

15. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	Share capital	Share premium account	Profit and loss account	Total share-holders' funds
	£	£	£	£
Balance brought forward at 1 January 2012	101	199,999	508,838	708,938
Profit for the year	–	–	3,598	3,598
Balance brought forward at 1 January 2013	101	199,999	512,436	712,536
Profit for the year	–	–	13,039	13,039
Balance carried forward at 31 December 2013	101	199,999	525,475	725,575

16 ULTIMATE PARENT COMPANY

The immediate parent undertaking is Bravado International Group Limited The ultimate parent undertaking and controlling party is Vivendi SA, a company incorporated in France The smallest and largest group in which the results of the company will be consolidated will be that headed by Vivendi SA, incorporated in France Copies of its annual report in English may be obtained from

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