

**REGISTERED NUMBER: 02261678 (England and Wales)**

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017  
FOR  
ARENA TELEVISION LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2017**

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**ARENA TELEVISION LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**DIRECTORS:**

R A Yeowart  
R Hopkinson

**SECRETARY:**

R A Yeowart

**REGISTERED OFFICE:**

17 Hanover Square  
London  
W1S 1BN

**BUSINESS ADDRESS:**

Hangar 7  
Redhill Aerodrome  
REDHILL  
Surrey  
RH1 5JY

**REGISTERED NUMBER:**

02261678 (England and Wales)

**AUDITORS:**

McKenzies  
Chartered Accountants  
Statutory Auditors  
2 Station Road West  
Oxted  
Surrey  
RH8 9EP

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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The directors present their strategic report for the year ended 31 December 2017.

The Strategic Report provides a review of the business for the financial year and describes how we manage risks within the business. The report outlines the developments and performance of the Company during the financial year and discusses the main trends and factors that could affect the future.

**REVIEW OF BUSINESS**

Arena Television grew both its market share and turnover during 2017. This allowed us to continue investment in new technology that saw Arena become the first company in the world to launch new game-changing IP broadcast technology.

Revolutionising the workflow and allowing IP data to be used from the camera right the way through the transmission chain to the end viewer. The production team are provided with greater flexibility and IP helps future-proof the overall investment.

The company is delighted to continue its association with a number of the UK's crown jewel events and was delighted to be awarded coverage of the Wimbledon Tennis Championship from 2018 onwards for the BBC.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Directors have a strong emphasis on risk management which endeavours to identify and manage all business risks.

**STRATEGIC AND COMMERCIAL RISK**

There are risks of changes to the competitive and economic environment. This is mitigated by a robust strategy and planning process, and regular monitoring of the economic and competitive environment.

**FINANCIAL RISK**

There is a risk of reducing business value or earning capacity as well as risk of inadequate cash flow to meet financial obligations. This risk is mitigated by proactive management of the business plan, regular monitoring of cash flows and close relationships with important stakeholders within the business.

**OPERATIONAL RISK**

This is a risk of losses arising from inadequate or failed internal processes, from personnel and external events. These are mitigated by regularly monitoring the business risk register against occurring events and business continuity planning.

**ON BEHALF OF THE BOARD:**

R A Yeowart - Director

28 March 2018

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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The directors present their report with the financial statements of the company for the year ended 31 December 2017.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2017.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2017 to the date of this report.

R A Yeowart  
R Hopkinson

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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;
- 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, McKenzies, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

R A Yeowart - Director

28 March 2018

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ARENA TELEVISION LIMITED

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### Opinion

We have audited the financial statements of Arena Television Limited (the 'company') for the year ended 31 December 2017 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 a Report of the Auditors 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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 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.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

Colin McCoy BA FCA (Senior Statutory Auditor)  
for and on behalf of McKenzies  
Chartered Accountants  
Statutory Auditors  
2 Station Road West  
Oxted  
Surrey  
RH8 9EP

28 March 2018

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 £	2016 £
<b>TURNOVER</b>		<b>26,896,183</b>	25,682,314
Cost of sales		<u>9,796,936</u>	<u>9,185,480</u>
<b>GROSS PROFIT</b>		<b>17,099,247</b>	16,496,834
Administrative expenses		<u>13,572,195</u>	<u>12,773,047</u>
		<b>3,527,052</b>	3,723,787
Other operating income		<u>340,000</u>	<u>40,000</u>
<b>OPERATING PROFIT</b>	4	<b>3,867,052</b>	3,763,787
Interest receivable and similar income		<u>23</u>	<u>230</u>
		<b>3,867,075</b>	3,764,017
Interest payable and similar expenses	5	<u>1,486,821</u>	<u>1,390,405</u>
<b>PROFIT BEFORE TAXATION</b>		<b>2,380,254</b>	2,373,612
Tax on profit	6	<u>285,223</u>	<u>373,451</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>2,095,031</b>	2,000,161

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 £	2016 £
<b>PROFIT FOR THE YEAR</b>		<b>2,095,031</b>	<b>2,000,161</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b><u>2,095,031</u></b>	<b><u>2,000,161</u></b>

**BALANCE SHEET**  
**31 DECEMBER 2017**

	Notes	2017 £	£	2016 £	£
<b>FIXED ASSETS</b>					
Tangible assets	7		47,519,971		42,027,673
<b>CURRENT ASSETS</b>					
Debtors	8	2,833,544		4,007,642	
Cash at bank and in hand		<u>15,942</u>		<u>262,032</u>	
		2,849,486		4,269,674	
<b>CREDITORS</b>					
Amounts falling due within one year	9	<u>13,677,757</u>		<u>12,791,164</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(10,828,271)</u>		<u>(8,521,490)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			36,691,700		33,506,183
<b>CREDITORS</b>					
Amounts falling due after more than one year	10		(14,894,019)		(14,065,103)
<b>PROVISIONS FOR LIABILITIES</b>	13		<u>(1,060,820)</u>		<u>(1,099,250)</u>
<b>NET ASSETS</b>			<u>20,736,861</u>		<u>18,341,830</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		5,200,000		4,900,000
Retained earnings	15		<u>15,536,861</u>		<u>13,441,830</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>20,736,861</u>		<u>18,341,830</u>

The financial statements were approved by the Board of Directors on 28 March 2018 and were signed on its behalf by:

R A Yeowart - Director

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 January 2016</b>	4,500,000	11,441,669	15,941,669
<b>Changes in equity</b>			
Issue of share capital	400,000	-	400,000
Total comprehensive income	-	2,000,161	2,000,161
<b>Balance at 31 December 2016</b>	<b>4,900,000</b>	<b>13,441,830</b>	<b>18,341,830</b>
<b>Changes in equity</b>			
Issue of share capital	300,000	-	300,000
Total comprehensive income	-	2,095,031	2,095,031
<b>Balance at 31 December 2017</b>	<b>5,200,000</b>	<b>15,536,861</b>	<b>20,736,861</b>

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

		<b>2017</b>	<b>2016</b>
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	14,459,111	10,172,931
Interest paid		(45,633)	(44,193)
Interest element of hire purchase payments paid		(1,441,188)	(1,346,212)
Tax paid		(426,955)	(431,805)
Net cash from operating activities		<u>12,545,335</u>	<u>8,350,721</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(791,366)	(432,637)
Sale of tangible fixed assets		133,500	20,000
Interest received		23	230
Net cash from investing activities		<u>(657,843)</u>	<u>(412,407)</u>
<b>Cash flows from financing activities</b>			
Capital repayments in year		(12,333,135)	(9,502,761)
Share issue		300,000	400,000
Net cash from financing activities		<u>(12,033,135)</u>	<u>(9,102,761)</u>
<b>Decrease in cash and cash equivalents</b>		<u>(145,643)</u>	<u>(1,164,447)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	(186,319)	978,128
<b>Cash and cash equivalents at end of year</b>	2	<u>(331,962)</u>	<u>(186,319)</u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2017	2016
	£	£
Profit before taxation	2,380,254	2,373,612
Depreciation charges	8,680,512	8,230,417
Profit on disposal of fixed assets	(133,500)	(20,000)
Inter company balances	487,632	598,059
Finance costs	1,486,821	1,390,405
Finance income	(23)	(230)
	<b>12,901,696</b>	<b>12,572,263</b>
Decrease/(increase) in trade and other debtors	1,117,150	(2,189,646)
Increase/(decrease) in trade and other creditors	440,265	(209,686)
<b>Cash generated from operations</b>	<b>14,459,111</b>	<b>10,172,931</b>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2017

	31.12.17	1.1.17
	£	£
Cash and cash equivalents	15,942	262,032
Bank overdrafts	(347,904)	(448,351)
	<b>(331,962)</b>	<b>(186,319)</b>

Year ended 31 December 2016

	31.12.16	1.1.16
	£	£
Cash and cash equivalents	262,032	1,206,987
Bank overdrafts	(448,351)	(228,859)
	<b>(186,319)</b>	<b>978,128</b>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017

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1. **STATUTORY INFORMATION**

Arena Television Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover represents net invoiced sales of services, excluding value added tax.

Where a contract has only been partially completed at the balance sheet date turnover represents the value of the value of the services supplied to date based on a proportion of the total considered at completion.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 10% on cost, over term of lease and straight line over 7 years
Fixtures and fittings	- 10% on cost

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

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 transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a sum of the digits basis, and the capital element which reduces the outstanding obligation for future instalments.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Operating leases**

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

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2017

## 3. EMPLOYEES AND DIRECTORS

	2017 £	2016 £
Wages and salaries	3,617,730	3,109,676
Social security costs	439,715	376,982
Other pension costs	102,958	94,893
	<u>4,160,403</u>	<u>3,581,551</u>

The average number of employees during the year was as follows:

	2017	2016
Production	84	68
Administrative	7	7
Management	9	9
	<u>100</u>	<u>84</u>

	2017 £	2016 £
Directors' remuneration	138,435	132,625
Directors' pension contributions to money purchase schemes	<u>6,961</u>	<u>6,013</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
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## 4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2017 £	2016 £
Other operating leases	122,334	131,043
Depreciation - owned assets	8,680,511	8,224,418
Profit on disposal of fixed assets	(133,500)	(20,000)
Auditors' remuneration	<u>15,600</u>	<u>15,100</u>

## 5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017 £	2016 £
Bank interest	45,633	44,193
Hire purchase and finance lease interest	<u>1,441,188</u>	<u>1,346,212</u>
	<u>1,486,821</u>	<u>1,390,405</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**6. TAXATION****Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2017 £	2016 £
Current tax:		
UK corporation tax	323,653	386,954
Deferred tax - current year	(38,430)	(13,503)
Tax on profit	<u>285,223</u>	<u>373,451</u>

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2017 £	2016 £
Profit before tax	<u>2,380,254</u>	<u>2,373,612</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19.250% (2016 - 20%)	458,199	474,722
Effects of:		
Expenses not deductible for tax purposes	1,797	5,055
Income not taxable for tax purposes	(25,699)	(4,100)
Capital allowances in excess of depreciation	(110,644)	-
Depreciation in excess of capital allowances	-	2,129
Utilisation of tax losses	-	(90,852)
Deferred taxation	(38,430)	(13,503)
Total tax charge	<u>285,223</u>	<u>373,451</u>

**7. TANGIBLE FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 January 2017	89,841,847	322,277	90,164,124
Additions	14,158,883	13,926	14,172,809
Disposals	(769,890)	-	(769,890)
At 31 December 2017	<u>103,230,840</u>	<u>336,203</u>	<u>103,567,043</u>
<b>DEPRECIATION</b>			
At 1 January 2017	47,844,117	292,334	48,136,451
Charge for year	8,670,196	10,315	8,680,511
Eliminated on disposal	(769,890)	-	(769,890)
At 31 December 2017	<u>55,744,423</u>	<u>302,649</u>	<u>56,047,072</u>
<b>NET BOOK VALUE</b>			
At 31 December 2017	<u>47,486,417</u>	<u>33,554</u>	<u>47,519,971</u>
At 31 December 2016	<u>41,997,730</u>	<u>29,943</u>	<u>42,027,673</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 20177. **TANGIBLE FIXED ASSETS - continued**

Included within tangible fixed assets are assets held under hire purchase and finance lease agreements with a net book value of £35,970,233 (2016 - £32,754,592). The depreciation charge for the year in respect of such assets was £4,315,024 (2016 - £3,869,175).

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017	2016
	£	£
Trade debtors	2,570,439	3,327,400
Amounts owed by group undertakings	-	56,948
Prepayments and accrued income	263,105	623,294
	<u>2,833,544</u>	<u>4,007,642</u>

9. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017	2016
	£	£
Bank loans and overdrafts (see note 11)	347,904	448,351
Hire purchase contracts (see note 12)	8,950,070	8,730,678
Trade creditors	1,775,855	2,073,869
Amounts owed to group undertakings	1,028,178	597,493
Tax	123,652	226,954
Social security and other taxes	151,778	137,788
VAT	830,686	235,068
Other creditors	89,476	109,231
Accruals and deferred income	380,158	231,732
	<u>13,677,757</u>	<u>12,791,164</u>

10. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2017	2016
	£	£
Hire purchase contracts (see note 12)	<u>14,894,019</u>	<u>14,065,103</u>

11. **LOANS**

Included within bank overdrafts are:  
Invoice discounting facility

	<u>267,647</u>	<u>105,675</u>
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The bank loans and overdrafts are secured by fixed and floating charges over the current and future assets of the company.

12. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2017	2016
	£	£
Net obligations repayable:		
Within one year	8,950,070	8,730,678
Between one and five years	14,894,019	14,065,103
	<u>23,844,089</u>	<u>22,795,781</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2017

## 12. LEASING AGREEMENTS - continued

	Non-cancellable operating leases	
	2017	2016
	£	£
Within one year	90,514	104,191
Between one and five years	73,974	114,867
	<u>164,488</u>	<u>219,058</u>

## 13. PROVISIONS FOR LIABILITIES

	2017	2016
	£	£
Deferred tax	<u>1,060,820</u>	<u>1,099,250</u>
		Deferred tax
		£
Balance at 1 January 2017		1,099,250
Credit to Income Statement during year		(38,430)
Balance at 31 December 2017		<u>1,060,820</u>

## 14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2017	2016
Number:	Class:	Nominal value:	£	£
4,500,000	Ordinary	£1	<u>5,200,000</u>	<u>4,900,000</u>

## 15. RESERVES

	Retained earnings
	£
At 1 January 2017	13,441,830
Profit for the year	2,095,031
At 31 December 2017	<u>15,536,861</u>

## 16. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company and amounted to £102,958 (2016 - £94,893). There were no amounts outstanding in respect of pension contributions as at 31 December 2017 and 31 December 2016.

## 17. ULTIMATE PARENT COMPANY

The immediate and ultimate parent company is Arena Holdings Limited, a company registered in England & Wales.

18. **RELATED PARTY DISCLOSURES**

As a subsidiary undertaking of Arena Holdings Limited, the company has taken advantage of the exemption from disclosing transactions with other members of the group headed by Arena Holdings Limited.

Arena Holdings Limited is the parent company of the largest and smallest group of which the company is a member and for which group accounts are drawn up. Copies of the accounts are available from Arena Holdings Limited, Hangar 7, Redhill Aerodrome, Kings Mill Lane, Redhill, Surrey, RH1 5JY.

19. **ULTIMATE CONTROLLING PARTY**

The company is under the direct control of R A Yeowart, director and majority shareholder of Arena Holdings Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.