

**Report of the Directors and  
Financial Statements  
for the Year Ended 31 December 2009  
for  
ABS-CBN Europe Limited**

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**ABS-CBN Europe Limited**

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for the Year Ended 31 December 2009**

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**ABS-CBN Europe Limited**  
**Company Information**  
**for the Year Ended 31 December 2009**

**DIRECTORS:** R L Lopez  
R Jison (resigned 29 June 2010)  
E Garcia (appointed 30 June 2010)

**SECRETARY:** E Garcia

**REGISTERED OFFICE:** 1F Intelco House  
2 Progress Business Centre  
Whittle Parkway  
Slough  
Surrey  
SL1 6DQ

**REGISTERED NUMBER:** 4757516

**AUDITORS:** Ernst & Young LLP  
Barony House  
Stoneyfield Business Park  
Stoneyfield  
Inverness  
Scotland  
IV2 7PA

**ABS-CBN Europe Limited**  
**Report of the Directors**  
**for the Year Ended 31 December 2009**

The directors present their report with the financial statements of the Company for the year ended 31 December 2009

**PRINCIPAL ACTIVITY**

The principal activity of the Company in the year under review was that of the provision of pay television services

**REVIEW OF BUSINESS**

The Company's financial performance during the year was as follows

	2009 £	2008 £	Change %
Turnover	6,855,203	5,711,132	+20%
Total operating profit (loss) from continuing operations	1,330,467	(2,044,555)	+165%
Profit (loss) after tax	1,125,811	(2,260,845)	+150%
Shareholders' funds	(4,396,293)	(4,704,513)	+7%

Turnover increased by 20% during the year primarily due to the increasing number of subscribers and the growing operations and expansion of the Company. The Company's total subscribers, increased from 21,081 in 2008 to 23,424 in 2009. Airtime revenues also increased as there were additional placements from various advertisers for the year. Merchandising revenue decreased due to the decline in number of subscribers who availed of outright purchase. New activations for Direct to Home (DTH) and Internet Protocol Television (IPTV) decline by 11% from 7,116 in 2008 to 6,319 in 2009. Other revenue consists of sponsorship income, gate receipts, installation revenue and miscellaneous revenue. Other revenues increased by £80,794 or 44%. However, there was a decrease in the Company's gate receipts due to lesser theatrical screenings for the year. The other operating income pertains to the net unrealized foreign exchange gain arising from foreign exchange differences for the current year.

Total operating profit from continuing operations increased by 165% during the year. This improvement was caused by the increase in the turnover and the decrease in the administrative expenses, partially tempered by the increase in the cost of sales. The decrease in the administrative expenses was primarily caused by foreign exchange differences, travel and hotels expenses and lower freight and delivery cost with decreases year on year of £2,548,091, £185,244 and £18,609, respectively. The increase in the cost of sales was driven by the increase in the license fees and royalty expense amounting to £726,240 which is parallel to the increase in the number of subscribers for both DTH and IPTV, hence higher amount of payment for licenses and royalties. Another factor for the increase in the account is the license fees charged by ABS-CBN Luxembourg starting October 1, 2009 representing charges for the redistribution of content rights acquired from ABS-CBN Broadcasting Corporation. The establishment of the Spain branch also contributed to the increase of the account in relation to the subscribers for the said branch.

**FUTURE DEVELOPMENTS**

The directors aim to maintain the management policies which have resulted in the Company's growth in recent years. They consider that the next year will show a significant growth in sales from continuing operations.

## **FINANCIAL INSTRUMENTS**

### **Price risk**

Price risk arises on financial instruments because of changes in, for example, commodity prices or equity prices. The Company's investments which they do not intend to sell in the short-term are not exposed to price risk.

### **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. Company policies are aimed at minimizing such losses, and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures. Details of the Company's debtors are shown in Note 9 to the financial statements.

### **Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company aims to mitigate liquidity risk by managing cash generation by its operations and by applying cash collection targets. The Company maintains its internally generated funds and prudently manages proceeds obtained from revenue.

### **Cash flow risk**

Cash flow risk is the risk of exposure to variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability such as future interest payments on a variability rate debt. The Company determines that they have no exposure to cash flow risks.

## **RISKS AND UNCERTAINTIES**

The Company has established a risk and financial management framework whose primary objectives are to protect the Company from events that hinder the achievement of its performance objectives.

The objectives aim to limit undue counterparty exposure, ensure sufficient working capital exists and monitor the management of risk at a business unit level.

## **POST BALANCE SHEET EVENTS**

The Company approved ABS-CBN Global Ltd's conversion of the Company's payables to ABS-CBN Global Ltd., constituting advances by ABS-CBN Global Ltd to the Company as of 31 January 2010 in the amount of \$2,410,621 equivalent to £1,502,800 into additional paid-in capital (APIC) of ABS-CBN Global Ltd. in the Company in an amount equivalent thereto.

To simplify, the Company has outstanding intercompany payable to ABS-CBN Global Ltd at the same amount and such amount will be converted to APIC of the Company. In ABS-CBN Global Ltd's perspective, this will be considered as a deposit for future stock subscription.

According to the management, the conversion pushed through in January 2010 and recorded in the books in March 2010.

## **EXISTENCE OF BRANCHES IN EUROPE**

In 2008, the Company has two offices in Europe particularly in London, United Kingdom (UK) and in Milan, Italy. The Milan and Spain office operates as a branch of the Company. The latter was incorporated on April 23, 2008 but started its commercial operations in January 2009. The branches are established to undertake activities including the following:

- a) Sale, marketing, and distribution of cable and digital satellite television service, and all other platforms or means now known or hereinafter discovered, wherein “The Filipino Channel” bundle, or any channel therein, may be distributed;
- b) Sale, marketing, and distribution of internet protocol television (IPTV) service currently known as “TFCKo”;
- c) Advertising sale for “The Filipino Channel” bundle, and all channels therein,
- d) Production of events, including those intended to promote “The Filipino Channel” and all channels therein (e.g. concerts, movie premieres);
- e) Sale, marketing, and distribution of Philippine-based retail products (e.g. music compact discs, video compact discs, digital video discs, clothing)

Statutory audited financial statements for the two branches are not compulsory since they are only a branch. The Company only needs to submit an original certificate that, its head office in UK has submitted its statutory accounts (wherein the branches are consolidated) at Companies House.

## **DIRECTORS**

The directors shown below have held office during the period from 1 January 2009 to the date of this report

R L Lopez

R Jison (resigned 29 June 2010)

E Garcia (appointed 30 June 2010)

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the 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 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 judgments and 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 proper 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 to 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 responsible 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 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

**ON BEHALF OF THE BOARD:**

  
E Garcia – Director

Date

  
3 November 2010

## **Independent Auditor's Report to the Members of ABS-CBN Europe Limited**

We have audited the financial statements of ABS-CBN Europe Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, and the related notes 1 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 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 auditors' 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 auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 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 Standard 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.

### **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 2009 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 the matter prescribed by the Companies Act 2006**

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



**Independent Auditor's Report to the Members of  
ABS-CBN Europe Limited (continued)**

**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

Ernst & Young LLP

Eunice McAdam (Senior Statutory Auditor)  
For and on behalf of Ernst & Young LLP, Statutory Auditor  
Inverness  
Date 15 November 2010

**ABS-CBN Europe Limited**

**Profit and Loss Account  
Continuing Operations  
for the Year Ended 31 December 2009**

		<b>2009</b>	<b>2008</b>
	Notes	£	£
<b>TURNOVER:</b> Continuing Operations	2	<b>6,855,203</b>	5,711,132
Cost of sales		<u>3,149,875</u>	<u>2,876,128</u>
<b>GROSS PROFIT</b>		<b>3,705,328</b>	2,835,004
Administrative Expenses		<u>3,632,097</u>	<u>4,879,559</u>
		<b>73,231</b>	(2,044,555)
Other operating income		<u>1,257,236</u>	–
<b>OPERATING INCOME (LOSS):</b> Continuing Operations	3	<b>1,330,467</b>	(2,044,555)
Interest receivable and similar income		<u>1,880</u>	1,122
		<b>1,332,347</b>	(2,043,433)
Interest payable and similar charges	5	<u>206,536</u>	217,412
<b>PROFIT (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>1,125,811</b>	(2,260,845)
Tax on ordinary activities	6	–	–
<b>PROFIT (LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<b>1,125,811</b>	(2,260,845)

**Statement of Total Recognised Gains and Losses  
For the Year Ended 31 December 2009**

	<b>2009</b>	<b>2008</b>
	£	£
Profit (loss) for the financial year	<b>1,125,811</b>	(2,260,845)
Exchange difference in retranslation of foreign branch	<u>(801,561)</u>	<u>16,030</u>
<b>TOTAL GAINS (LOSSES) RELATING TO THE YEAR</b>	<b><u>324,250</u></b>	<b><u>(2,244,815)</u></b>

The notes form part of these financial statements

**ABS-CBN Europe Limited**

**Balance Sheet  
31 December 2009**

	Notes	2009 £	2008 £
<b>FIXED ASSETS</b>			
Tangible assets	7	191,369	74,040
Investments	8	50,159	50,159
		<b>241,528</b>	<b>124,199</b>
<b>CURRENT ASSETS</b>			
Stocks		101,485	303,774
Debtors	9	1,398,859	1,686,589
Cash at bank		1,263,098	987,977
		<b>2,763,442</b>	<b>2,978,340</b>
<b>CREDITORS</b>			
Amounts falling due within one year	10	7,401,263	7,807,052
<b>NET CURRENT LIABILITIES</b>		<b>(4,637,821)</b>	<b>(4,828,712)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>(4,396,293)</b>	<b>(4,704,513)</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	5,050,000	5,050,000
Movement on foreign exchange		(801,561)	16,030
Profit and loss account	13	(8,644,732)	(9,770,543)
<b>SHAREHOLDERS' FUNDS</b>		<b>(4,396,293)</b>	<b>(4,704,513)</b>

The financial statements were approved by the Board of Directors on 03 November 2010 and were signed on its behalf by

  
 E Garcia Director  
 Company Registration No 4757516

**ABS-CBN Europe Limited**  
**Notes to the Financial Statements**  
**for the Year Ended 31 December 2009**

**1 ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future

During the year the Company met its working capital requirements through continued financial support from its parent ABS-CBN Global Limited

The parent has agreed to continue to provide such financial support so as to allow ABS-CBN Europe Limited to meet its liabilities as they fall due and to carry on its business without any significant curtailment of operations during the period of 12 months from the date of these financial statements. Therefore the directors believe it is appropriate to prepare the accounts on a going concern basis

**Accounting convention**

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

**Exemption from preparing consolidated financial statements**

The financial statements contain information about ABS-CBN Europe Limited as an individual Company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 401 of the Companies Act 2006 from the requirements to prepare consolidated financial statements

**Cash flow statement**

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to prepare a cash flow statement in accordance with FRS 1

**Turnover and revenue recognition**

The total turnover of the Company for the period has been derived from its principal activity and was wholly undertaken within the United Kingdom and Europe

Subscription revenue is invoiced on either a monthly or an annual basis, with a complete month's revenue being recognised in the month in which the contract commenced. Revenue invoiced annually is deferred and amortised on a monthly basis

On contracts to provide services where the Company has partially performed its contractual obligations, it recognises revenue to the extent that it has obtained the right to consideration through its performance. This revenue is valued at the fair value of the right to consideration

The amounts receivable in respect of this revenue are included as amounts recoverable on contracts with debtors

## **ABS-CBN Europe Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2009**

#### **1 ACCOUNTING POLICIES (continued)**

##### **Tangible fixed assets**

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

Improvements to property	- Over 5 years
Office furniture and fixtures	- Over 3 years
Motor vehicles	- Over 4 years
Computer Equipment	- Over 3 years

##### **Stocks**

Stocks are stated at the lower of cost or net realisable value

##### **Deferred tax**

Deferred taxation has been recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in future, or a right to pay less taxation in future. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

##### **Foreign currencies**

Trading transactions denominated in foreign currencies are translated into sterling at the exchange rate when the transactions were entered into. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date. All foreign exchange differences are taken to the profit and loss account in the year in which they arise, with the exception of differences on the retranslation of overseas branches which are taken directly to reserves.

##### **Operating leases**

Costs in respect of operating leases are charged on a straight line basis over the lease term.

##### **Accounting for subsidiaries**

Investment in subsidiaries is shown in the accounts at cost less any provision for diminution in value.

#### **2. TURNOVER**

The turnover and loss before taxation are attributable to the one principal activity of the Company.

An analysis of turnover by geographical market is given below.

	<b>2009</b>	<b>2008</b>
United Kingdom	<b>38.59%</b>	24.95%
Italy	<b>35.87%</b>	75.05%
Spain	<b>25.54%</b>	0.00%
	<b>100.00%</b>	100.00%

**ABS-CBN Europe Limited**

**Notes to the Financial Statements – continued  
for the Year Ended 31 December 2009**

**3. OPERATING INCOME (LOSS)**

The operating loss is stated after charging/(crediting)

	2009	2008
Depreciation - owned assets	£81,237	£54,252
Auditors' remuneration – audit services	29,620	16,913
– tax services	4,000	4,000
Foreign exchange differences	(1,257,236)	1,290,855
Operating lease charges Land and buildings	194,772	134,613
<b>Directors' emoluments and other benefits etc</b>	<b>£163,294</b>	<b>£160,453</b>

Auditors' remuneration pertains only to the services rendered in auditing the financial statements

**4. STAFF COSTS**

	2009	2008
Wages and salaries	£1,077,426	£1,059,920
Social security costs	178,483	128,051
Other pension costs	45,283	44,181
	<b>£1,301,192</b>	<b>£1,232,152</b>

The average monthly number of employees during the year is composed of the following:

	2009 Number	2008 Number
Management	1	1
Finance	7	7
Human Resources and Administration	2	2
Information Technology	2	2
Marketing	3	3
Sales	10	10
Customer Service	4	3
Technical Operation	7	9
News Production	1	1
	<b>37</b>	<b>38</b>

**ABS-CBN Europe Limited**

**Notes to the Financial Statements – continued  
for the Year Ended 31 December 2009**

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	2009	2008
Due to a related party	£110,625	£134,393
Bank loans and overdrafts	95,911	83,019
	<b>£206,536</b>	<b>£217,412</b>

**6. TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2009 nor for the year ended 31 December 2008

The tax assessed on the loss on ordinary activities for the year is lower/higher than the standard rate of corporate tax in the UK of 28% in 2009 and 28.5% in 2008. The differences are reconciled below

	2009	2008
Profit (Loss) on ordinary activities before tax	<b>£1,125,811</b>	(£2,260,845)
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 28.5%)	<b>315,227</b>	(644,341)
Effect of		
Unrelieved tax losses carried forward	–	599,773
Expenses not deductible for tax	<b>5,982</b>	17,796
Other timing differences	<b>(137,286)</b>	24,080
Utilization of brought forward tax losses	<b>(193,763)</b>	–
Depreciation in excess of capital allowances	<b>9,840</b>	2,692
	<b>£-</b>	<b>£-</b>

The Company has losses available for carryforward of approximately £8,686,327 and £7,994,317 in 2008 and 2009, respectively. No deferred tax asset has been recognised in respect of these losses as the criteria for recognising that asset is not met.

**ABS-CBN Europe Limited**

**Notes to the Financial Statements – continued  
for the Year Ended 31 December 2009**

**7. TANGIBLE FIXED ASSETS**

	Improvements to Property	Office furniture And fixtures	Motor vehicles	Computer equipment	Totals
<b>COST</b>					
At 1 January 2009	£10,000	£81,034	£14,466	£183,696	£289,196
Additions	–	–	–	199,538	199,538
Translation adjustment	–	(4,014)	–	(2,160)	(6,174)
At 31 December 2009	10,000	77,020	14,466	381,074	482,560
<b>DEPRECIATION</b>					
At 1 January 2009	7,009	69,560	11,390	127,197	215,156
Charge for year	2,003	996	–	78,238	81,237
Translation adjustment	–	(3,542)	3,074	(4,734)	(5,202)
At 31 December 2009	9,012	67,014	14,464	200,701	291,191
<b>NET BOOK VALUE</b>					
At 31 December 2009	£988	£10,006	£2	£180,373	£191,369
At 31 December 2008	£2,991	£11,474	£3,076	£56,499	£74,040

**8. FIXED ASSET INVESTMENTS**

**COST**

At 1 January 2009

Exchange differences

At 31 December 2009

**NET BOOK VALUE**

At 31 December 2009

At 31 December 2008

Shares in group undertakings

£50,159

–

50,159

£50,159

£50,159

The Company's investments at balance sheet date in the share capital of companies include the following

ABS-CBN Japan Inc

Country of incorporation Japan

Nature of business Provision of pay television services

Class of shares

Ordinary Japanese Yen

%  
holding  
100.00



# **ABS-CBN Europe Limited**

## **Notes to the Financial Statements – continued for the Year Ended 31 December 2009**

### **9. DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2009</b>	<b>2008</b>
Trade debtors	<b>£650,557</b>	£726,423
Amounts owed by group undertakings	<b>50,604</b>	87,987
Other debtors	<b>680,804</b>	777,539
Prepayments and accrued income	<b>16,878</b>	35,665
VAT	<b>16</b>	58,975
	<b>£1,398,859</b>	£1,686,589

Amounts owed by group undertakings are unsecured, interest free and have no fixed repayment terms

### **10. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2009</b>	<b>2008</b>
Trade creditors	<b>£63,824</b>	£97,383
Amounts owed to group undertakings	<b>5,399,860</b>	5,499,318
Social security and other taxes	<b>53,144</b>	46,492
Other creditors	<b>706,450</b>	564,113
Accrued expenses	<b>1,177,985</b>	1,599,746
	<b>£7,401,263</b>	£7,807,052

Amounts owed to group undertakings are unsecured, have no fixed repayment terms and are subject to a monthly interest of 3% on the outstanding amount at month end. Interest expense on amounts owed to group undertakings amounted to £110,625 and £126,402 in 2009 and 2008, respectively

### **11. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year

	<b>2009</b>	<b>2008</b>
Expiring		
Within one year	<b>£160,713</b>	£156,610
Between one and five years	<b>147,890</b>	200,525
	<b>£308,603</b>	£357,135

### **12. CALLED UP SHARE CAPITAL**

Authorized, allotted, issued and fully paid				
Number	Class	Nominal value	<b>2009</b>	<b>2008</b>
5,050,000	Ordinary	£1	<b>£5,050,000</b>	£5,050,000

## **ABS-CBN Europe Limited**

### **Notes to the Financial Statements – continued for the Year Ended 31 December 2009**

#### **13. RESERVES**

At 1 January 2008	(£7,509,698)
Loss for the year	(2,260,845)
Movement in foreign exchange	16,030
At 31 December 2008	(£ 9,754,513)
<hr/>	
At 1 January 2009	(£9,754,513)
Income for the year	1,125,811
Movement in foreign exchange	(817,591)
At 31 December 2009	(£9,446,293)

#### **14. ULTIMATE PARENT COMPANY**

The Company's ultimate parent company is Lopez Inc , a company registered in the Philippines

#### **15. RELATED PARTY DISCLOSURES**

The Company has taken advantage of the exemption provided by FRS8 to disclose transactions with entities that are part of the group qualifying as related parties on the grounds that the consolidated financial statements in which the Company is included are publicly available

#### **16. ULTIMATE CONTROLLING PARTY**

The directors consider that there is no one controlling party