

Registered number: 04779767

## AURORA CINEMA LIMITED

### ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28 NOVEMBER 2019



# **AURORA CINEMA LIMITED**

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## **AURORA CINEMA LIMITED**

### **DIRECTORS' REPORT FOR THE PERIOD ENDED 28 NOVEMBER 2019**

The directors present their Strategic Report of Aurora Cinema Limited ("the Company") for the 52 week period ended 28 November 2019. The comparative results for the prior period refer to the 52 week period ended 29 November 2018.

Vue International Bidco plc, a company incorporated in the United Kingdom, is the parent undertaking of the smallest group to consolidate the results of the Company. Vue International Bidco plc together with its subsidiaries forms "the Group".

#### **Strategic Report**

The report has been prepared in accordance with the special provisions of section 415A of the Companies Act 2006 relating to small companies. The directors have taken the exemption under this regime not to disclose the Strategic Report.

#### **Principal Activities**

The Company did not actively trade during the period.

#### **Results in Period**

The retained loss for the period, after taxation, amounted to £3k (2018: £3k).

The Company made a loss after taxation. There were no other recognised gains and losses for the current financial period or the preceding period.

The Company had total assets for the year of £513k (2018: £519k). Total liabilities for the Company were £3k (2018: £6k) resulting in a net assets position of £510k (2018: £513k).

#### **Key Performance Indicators**

The directors of the Group manage the Group's operations on a consolidated basis. For this reason the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance and position of the business of the Company. The development, performance and position of the Group, which includes the Company, are discussed in the Strategic Report of Vue International Bidco plc.

#### **Future Outlook**

The Company will continue to remain not actively trading.

#### **Principal Risks and Uncertainties**

The directors of the Group manage the Group's risk on a consolidated basis, rather than at an individual entity level. For this reason, the Company's directors believe that a discussion of the Company's risks would not be appropriate for an understanding of the development, performance or position of the Company's business. The principal risks and uncertainties of the Group, which include those of the Company, are discussed in the Strategic Report of Vue International Bidco plc.

#### **Financial and Liquidity Risk Management**

The directors of the Group manage the Group's operations on a consolidated basis. For this reason the Company's directors believe that analysis of financial and liquidity risk management for the Company is not necessary or appropriate for an understanding of the development, performance and position of the business of the Company. The review of financial and liquidity risk which includes the Company, is discussed in the Directors' Report of Vue International Bidco plc.

**DIRECTORS' REPORT (CONTINUED)  
FOR THE PERIOD ENDED 28 NOVEMBER 2019**

**Post Balance Sheet Events**

On March 11, 2020, the World Health Organisation declared the novel strain of coronavirus disease (COVID-19) as a pandemic. The extent of COVID-19's effect on the Company's financial performance is discussed further in Note 12 to these financial statements.

**Going Concern**

The Company is reliant on the overall financing support of the wider Vue International Bidco plc group ("the Group"), which is financed through a €634m EUR Senior Secured Term Loan B and £165m 2nd Lien PIK Notes. The Group has maintained a close and constructive dialogue with its shareholders and lenders throughout the COVID-19 pandemic and has recently obtained a waiver from the lenders with regards to the covenants attached to the RCF through to November 2021, on the basis of a minimum liquidity position of £30m.

The Group has been significantly impacted by the consequences of the COVID-19 pandemic. Although the Group has re-opened the majority of its cinemas, there is uncertainty regarding the timing of the recovery of admissions and revenues to a normal level given the reliance on factors outside of the Group's control (including film releases, government restrictions and support schemes, and customer demand). These factors could impact the Group's ability to adhere to its financial covenants or to have sufficient liquidity to provide additional resources across the Group.

As part of the Group's assessment of going concern a short term forecast has been prepared that runs until the end of November 2021, with a further long range plan running until November 2024. The short term forecast is being updated weekly to reflect news regarding movie slate, social distancing policies and trading performance, offset by government assistance plans and mitigating actions implemented through this forecast period. The directors of the Group have also prepared a severe but plausible downside case reflecting the uncertainties noted above, and in doing so, have identified that there is a risk of a breach of covenants relating to minimum liquidity requirements during the short term forecast period. Because the Company is reliant on the financial support of the Group, the identified risk of a breach of the Group's financial covenants indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Whilst recognising the prevailing uncertainties of the current retail market, the Directors confirm that after considering the matters set out above they have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence. For this reason, the Company continues to adopt the going concern basis in preparing its financial statements. The Financial Statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

**Financial and Liquidity Risk Management**

The directors of the Group manage the Group's operations on a consolidated basis. For this reason the Company's directors believe that analysis of financial and liquidity risk management for the Company is not necessary or appropriate for an understanding of the development, performance and position of the business of the Company. The review of financial and liquidity risk which includes the Company, is discussed in the Directors' Report of Vue International Bidco plc.

## **AURORA CINEMA LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 28 NOVEMBER 2019**

#### **Directors**

The directors who served during the period were:

J. Timothy Richards  
Alan McNair (resigned 14 June 2019)  
Stephen Knibbs  
Alison Cornwell (appointed 14 June 2019)

The directors have no interests in the shares of the Company.

#### **Directors' Liability Insurance**

During the period to 28 November 2019 and at the date of approval of the financial statements, the Company maintained liability insurance for its directors and officers.

#### **Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### **Directors' Responsibilities Statement**

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 audited financial statements for each financial period. Under that law the directors have elected to prepare the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 audited 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 audited 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, including FRS 102, 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.

**AURORA CINEMA LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE PERIOD ENDED 28 NOVEMBER 2019**

**Independent Auditors**

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

The report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to read 'Alison Cornwell', written in a cursive style.

Alison Cornwell  
Director  
Date: ~~28~~ October 2020

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AURORA CINEMA LIMITED

**Report on the audit of the financial statements**

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**Opinion**

In our opinion, Aurora Cinema Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 28 November 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 28 November 2019; the Statement of Comprehensive Income, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence*

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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**Material uncertainty related to 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 1.1 to the financial statements concerning the company's ability to continue as a going concern. The Company is reliant on the overall financing support of the wider Vue International Bidco plc group ("the Group"), which is financed through a €634m EUR Senior Secured Term Loan B and £165m 2nd Lien PIK Notes. The Group has maintained a close and constructive dialogue with its shareholders and lenders throughout the COVID-19 pandemic and has recently obtained a waiver from the lenders with regards to the covenants attached to the RCF through to November 2021, on the basis of a minimum liquidity position of £30m. The directors of the Group have identified that there is a risk of a breach of the Groups financial covenants relating to the minimum liquidity position requirements within a short term forecast period running to the end of November 2021. These conditions, along with the other matters explained in note 1.1 to the financial statements, indicate the existence of a material uncertainty which 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 was unable to continue as a going concern.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AURORA CINEMA LIMITED

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**Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

*Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 28 November 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

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**Responsibilities for the financial statements and the audit**

*Responsibilities of the directors for the financial statements*

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 in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of the 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 cease operations, or have no realistic alternative but to do so.

*Auditors' 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 an auditors' report 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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AURORA CINEMA LIMITED

*Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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**Other required reporting**

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**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

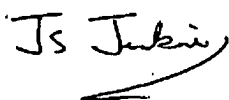
We have no exceptions to report arising from this responsibility.

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**Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

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Julian Jenkins (Senior statutory auditor)

for and on behalf of

**PricewaterhouseCoopers LLP**

Chartered Accountants and Statutory Audit Firm

London

28 October 2020

# AURORA CINEMA LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 28 NOVEMBER 2019

	Period ended 28 November 2019 £000	Period ended 29 November 2018 £000
Note		
Tax charge for the financial period	(3)	(3)
	<hr/>	<hr/>
Other comprehensive expense		
	<hr/>	<hr/>
Total comprehensive expense for the period	(3)	(3)
	<hr/>	<hr/>

The notes on pages 11 to 17 form part of these financial statements.

**AURORA CINEMA LIMITED**

**BALANCE SHEET  
AS AT 28 NOVEMBER 2019**

	Note	28 November 2019 £000	29 November 2018 £000
<b>Fixed assets</b>			
Investments	7	-	-
		<u>-</u>	<u>-</u>
<b>Current assets</b>			
Debtors	8	513	519
		<u>513</u>	<u>519</u>
Creditors: amounts falling due within one year	10	(3)	(6)
		<u>-</u>	<u>-</u>
<b>Net current assets</b>		<b>510</b>	<b>513</b>
<b>Total assets less current liabilities</b>		<b>510</b>	<b>513</b>
<b>Net assets</b>		<b>510</b>	<b>513</b>
<b>Capital and reserves</b>			
Called up share capital	11	1,150	1,150
Share premium account		650	650
Profit and loss account		(1,290)	(1,287)
<b>Total equity</b>		<b>510</b>	<b>513</b>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Alison Cornwell  
Director  
Date: 28 October 2020

The notes on pages 11 to 17 form part of these financial statements.

**AURORA CINEMA LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 28 NOVEMBER 2019**

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>At 1 December 2017</b>	<b>1,150</b>	<b>650</b>	<b>(1,284)</b>	<b>516</b>
<b>Comprehensive expense for the period</b>				
Loss for the period	-	-	(3)	(3)
<b>Total comprehensive expense for the period</b>	<b>-</b>	<b>-</b>	<b>(3)</b>	<b>(3)</b>
<b>At 30 November 2018</b>	<b>1,150</b>	<b>650</b>	<b>(1,287)</b>	<b>513</b>
<b>Comprehensive expense for the period</b>				
Loss for the period	-	-	(3)	(3)
<b>Total comprehensive expense for the period</b>	<b>-</b>	<b>-</b>	<b>(3)</b>	<b>(3)</b>
<b>At 28 November 2019</b>	<b>1,150</b>	<b>650</b>	<b>(1,290)</b>	<b>510</b>

The notes on pages 11 to 17 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 28 NOVEMBER 2019**

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The Company is a private company limited by Share Capital incorporated and domiciled in the United Kingdom. The address of the registered office is 10 Chiswick Park, 566 Chiswick High Road, London, W4 5XS. The financial statements of Aurora Cinema Limited have been prepared in accordance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and derivative financial assets and financial liabilities measured at fair value through profit or loss, and in accordance with the Companies Act 2006. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

**Going concern**

The Company is reliant on the overall financing support of the wider Vue International Bidco plc group ("the Group"), which is financed through a €634m EUR Senior Secured Term Loan B and £165m 2nd Lien PIK Notes. The Group has maintained a close and constructive dialogue with its shareholders and lenders throughout the COVID-19 pandemic and has recently obtained a waiver from the lenders with regards to the covenants attached to the RCF through to November 2021, on the basis of a minimum liquidity position of £30m.

The Group has been significantly impacted by the consequences of the COVID-19 pandemic. Although the Group has re-opened the majority of its cinemas, there is uncertainty regarding the timing of the recovery of admissions and revenues to a normal level given the reliance on factors outside of the Group's control (including film releases, government restrictions and support schemes, and customer demand). These factors could impact the Group's ability to adhere to its financial covenants or to have sufficient liquidity to provide additional resources across the Group..

As part of the Group's assessment of going concern a short term forecast has been prepared that runs until the end of November 2021, with a further long range plan running until November 2024. The short term forecast is being updated weekly to reflect news regarding movie slate, social distancing policies and trading performance, offset by government assistance plans and mitigating actions implemented through this forecast period. The directors of the Group have also prepared a severe but plausible downside case reflecting the uncertainties noted above, and in doing so, have identified that there is a risk of a breach of covenants relating to minimum liquidity requirements during the short term forecast period. Because the Company is reliant on the financial support of the Group, the identified risk of a breach of the Group's financial covenants indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Whilst recognising the prevailing uncertainties of the current retail market, the Directors confirm that after considering the matters set out above they have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence. For this reason, the Company continues to adopt the going concern basis in preparing its financial statements. The Financial Statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

A summary of the more important accounting policies, which have been applied consistently throughout the period are set out below, together with an explanation of where changes have been made to previous policies on the adoption of new accounting standards in the period.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 28 NOVEMBER 2019**

**1. Accounting policies (continued)**

**1.2 Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Vue International Bidco plc as at 28 November 2019 and these financial statements may be obtained from 10 Chiswick Park, 566 Chiswick High Road, London, W4 5XS.

**1.3 Accounting reference date**

The Company prepares financial statements for either 52 or 53 week periods ending on a Thursday within one week of 30 November. The results for the current period refer to the 52 weeks ended 28 November 2019.

The comparative results for the prior period refer to the 52 week period ended 29 November 2018.

**1.4 Exemption from preparing consolidated financial statements**

The financial statements contain information about Aurora Cinema Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of Vue International Bidco plc, a company registered in the United Kingdom.

**1.5 Exemption from related party disclosures**

The Company has taken advantage of the following disclosure exemption under FRS 102:

The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

**1.6 Impact of new international reporting standards, amendments and interpretations**

**IFRS 9**

There have been no material impacts on the Company's financial statements as a result of adopting IFRS 9 from 30 November 2018.

**IFRS 15**

There have been no material impacts on the Company's financial statements as a result of adopting IFRS 15 from 30 November 2018.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 28 NOVEMBER 2019**

**2. Critical accounting estimates and judgements**

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

**Taxation**

The Company is subject to income tax in the jurisdictions in which it operates. Management is required to exercise judgement in determining the Company's provision for income taxes. Management's judgement is required in estimating tax provisions where additional current tax may become payable in the future following the audit by the tax authorities of previously filed tax returns. Management's judgement is also required as to whether a deferred tax asset should be recognised based on the availability of future taxable profits. While the Company aims to ensure that the estimates recorded are accurate, the actual amounts could be different from those expected.

**3. Auditors' remuneration**

In the period ended 28 November 2019 the auditors' remuneration of £5k (2018: £5k) was borne by Vue Services Limited, a fellow subsidiary undertaking. No non-audit services were carried out in the year (2018: nil).

**4. Profit and loss account**

The Company has not actively traded during this period or the previous financial period and has received no income but incurred a tax charge. Consequently, during these periods the Company made neither a profit nor a loss before taxation.

**5. Employees**

The company has no employees other than the directors.

**Directors' emoluments**

For the 52 week period to 28 November 2019, directors' emoluments were incurred by Vue International Bidco plc. The directors of the Company are remunerated in respect of their executive management services to the Group as a whole. There are no recharges made to the Company in respect of these services as their duties in respect of the Company are incidental to the directors' duties as a whole.

The directors' emoluments are included within the aggregate emoluments disclosed in the financial statements of Vue International Bidco plc and in the consolidated financial statements of the Group.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 28 NOVEMBER 2019**

**6. Taxation**

	<b>28 November 2019 £000</b>	<b>29 November 2018 £000</b>
<b>Corporation tax</b>		
Current tax charge	3	3
	<u>3</u>	<u>3</u>
<b>Total current tax</b>	<u>3</u>	<u>3</u>
<b>Deferred tax</b>		
<b>Total deferred tax</b>	<u>-</u>	<u>-</u>
<b>Taxation on profit on ordinary activities</b>	<u>3</u>	<u>3</u>

**Factors affecting tax charge for the period**

The effective rate of current tax for the period, based on the UK Standard rate of corporation tax, is 19.0% (2018 - 19.0%). The current tax charge for the period differs from the standard rate for the reasons shown in the reconciliation below:

	<b>28 November 2019 £000</b>	<b>29 November 2018 £000</b>
Result before taxation	<u>-</u>	<u>-</u>
<b>Effects of:</b>		
Tax (over)/under provided in previous years	3	(1)
Controlled foreign company tax charge	-	4
<b>Total tax charge for the financial period</b>	<u>3</u>	<u>3</u>



# AURORA CINEMA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 NOVEMBER 2019

### 7. Investments

	Investments in subsidiary companies £000
At 30 November 2018	-
At 1 December 2017	-
<b>Net book value</b>	
At 28 November 2019	-
At 29 November 2018	-

### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Country of incorporation	Holding
Aurora Cinema (Ireland) Limited	70 Sir John Rogerson's Quay, Dublin 2, Ireland	Holding	Eire	100%
Ster Century (UK) Limited	10 Chiswick Park, 566 Chiswick High Road, London, W4 5XS	Operating	United Kingdom	95%

### 8. Debtors

	28 November 2019 £000	29 November 2018 £000
Amounts owed by group undertakings	513	519
	<b>513</b>	<b>519</b>

Amounts owed by group undertakings are unsecured, interest free and are repayable on demand.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 28 NOVEMBER 2019**

**9. Loan capital and borrowings**

The Company is party to the Vue International Bidco plc £65m multicurrency Revolving Credit and Overdraft Facility. The Company can draw on this facility subject to approval from Vue International Bidco plc. The facility is available until 3 July 2025 and bears interest at LIBOR, EURIBOR, CIBOR or WIBOR, depending on the currency drawn down, plus a margin of 3.75% (subject to ratchet).

The Company is a guarantor in respect of the aforementioned £65m Super Senior Revolving Credit Facility, senior secured notes issued by, and a senior term loan issued to, Vue International Bidco plc. As such it has given a cross guarantee and share and asset security in support of such financing.

**10. Creditors: Amounts falling due within one year**

	<b>28 November 2019 £000</b>	<b>29 November 2018 £000</b>
Corporation tax	3	6
	<u>3</u>	<u>6</u>

**11. Share capital**

	<b>28 November 2019 £000</b>	<b>29 November 2018 £000</b>
<b>Authorised, allotted, called up and fully paid</b>		
1,150,002 (2018: 1,150,002) Ordinary shares of £1 each	<u>1,150</u>	<u>1,150</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 28 NOVEMBER 2019**

**12. Post balance sheet events**

After the balance sheet date and until the date of signing the financial statements, the following significant events influencing the Company's property and financial situation took place:

At the end of 2019 news of COVID-19 appeared for the first time and over the first quarter of 2020 the virus spread worldwide.

Government mandated closures of Cinemas began on the 17th of March and all the Company's sites were closed. The re-opening of Cinema's commenced on the 7th August with all Cinemas back in operation by the first week of September 2020. Small scale local lockdowns are still in effect as governments have moved towards localised lockdowns to combat the spread of COVID-19.

While cinemas were closed the Group used the available assistance programs and took all possible steps to mitigate the negative effects of COVID-19. Following the opening of cinemas the Group expects reduced revenues for a limited time due to government restrictions, customer confidence and the postponement of some movie releases.

Whilst the full impact of COVID-19 remains uncertain, the Board do not anticipate that COVID-19 would have resulted in significant impairment of assets reported in notes 7 and 8 of these financial statements.

Based on the forecasts prepared by the Group as at the date of signing this report, the Company expects that in the next 6 months, consumer behaviour will return to a state of equilibrium, resulting in the return to the company's revenue generation at a lower but stable level than before the epidemic.

**13. Ultimate parent company and controlling party**

At 28 November 2019, the immediate parent undertaking of Aurora Cinema Limited is Aurora Holdings Limited.

The parent undertaking of the smallest group of undertakings for which group consolidated financial statements are drawn up and publicly available, of which the Company is a member, is Vue International Bidco plc, a company registered in the United Kingdom.

The consolidated financial statements of Vue International Bidco plc may be obtained from 10 Chiswick Park, 566 Chiswick High Road, London, W4 5XS.

At 28 November 2019, Vue International Holdco Limited, a company incorporated in Jersey, is the parent undertaking of the largest Group in which the results of the Company are consolidated. The consolidated financial statements of Vue International Holdco Limited are publicly available and may be obtained from Vue International Holdco Limited, 44 Esplanade, St Helier, Jersey, JE4 9WG.

At 28 November 2019, the ultimate controlling party is Vue International Holdco Limited, an investment vehicle for OMERS Administration Corporation and certain clients of Alberta Investment Management Corporation.