

CMI Investments Limited

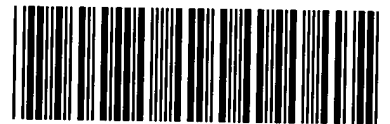
Report and Financial Statements

Year Ended

31 January 2015

Company Number 5024469

FRIDAY



L4EQHJSQ

LD5

28/08/2015

#336

COMPANIES HOUSE

CMI Investments Limited

Report and financial statements for the year ended 31 January 2015

Contents

Page:

1	Strategic report
2	Report of the directors
4	Independent auditor's report
6	Profit and loss account
7	Balance sheet
8	Notes forming part of the financial statements

Directors

E A C Spencer Churchill
T D Woodcock

Secretary and registered office

T D Woodcock, 4th Floor, 54 Baker Street, London, W1U 7BU

Company number

5024469

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

CMI Investments Limited

Strategic report for the year ended 31 January 2015

The directors present their strategic report together with the audited financial statements for the year ended 31 January 2015.

Principal activities

The company was set up in order to hold investments on behalf of its parent, Capital Management and Investment PLC.

Results and dividends

The profit and loss account is set out on page 6 and shows the result for the year.

The directors do not recommend the payment of a dividend (2014 - £Nil).

Review of business and future developments

The company's investments continued to perform in line with the directors' expectations. The directors do not consider that any further provision for impairment is required on the investment values of the shares in group undertakings.

Information in relation to the performance of the company's investments is included in note 4 of the financial statements.

Key performance indicators

As an intermediate holding company, the company's principal key performance indicator is the profitability of its investments. This matter is addressed above.

Principal risks and uncertainties

As an intermediate holding company, the principal risk for the company is that the investment value of the shares in group undertakings might not be fully recoverable.

The directors regularly review the performance of the company's subsidiaries to ascertain whether there are any indicators which might indicate any risks threatening full recovery.

Charitable and political donations

During the year the company made no charitable contributions or political donations.

Approval

This Strategic Report was approved by order of the Board on 17/8/15

T D Woodcock

Director



CMI Investments Limited

Report of the directors for the year ended 31 January 2015

The directors present their report together with the audited financial statements for the year ended 31 January 2015.

Directors

The directors of the company during the year were:

E A C Spencer Churchill
T D Woodcock

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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CMI Investments Limited

Report of the directors for the year ended 31 January 2015 (*continued*)

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the Board

T D Woodcock



Secretary

Date 17/4/15

CMI Investments Limited

Independent auditor's report

TO THE MEMBERS OF CMI INVESTMENTS LIMITED

We have audited the financial statements of CMI Investments Limited for the year ended 31 January 2015 which comprise the profit and loss account, balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

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 January 2015 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

CMI Investments Limited

Independent auditor's report (*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.



Gary Hanson (*Senior statutory auditor*)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

18 August 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CMI Investments Limited

Profit and loss account for the year ended 31 January 2015

	Note	2015 £'000	2014 £'000
Other administrative expenses		2	1
Total administrative expenses		(2)	(1)
Interest payable		-	-
Loss on ordinary activities	2	(2)	(1)
Taxation		-	-
Loss on ordinary activities after taxation	9	(2)	(1)

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

The notes on pages 8 to 12 form part of these financial statements.

CMI Investments Limited

Balance sheet at 31 January 2015

<i>Company number 5024469</i>	Note	2015 £'000	2015 £'000	2014 £'000	2014 £'000
Fixed assets					
Investments	4		9,919		9,919
Current assets					
Debtors	5	53		53	
Cash at bank and in hand		16		18	
		<u>69</u>		<u>71</u>	
Creditors: amounts falling due within one year	6	(7,948)		(7,948)	
Net current liabilities			<u>(7,879)</u>		<u>(7,877)</u>
Net assets			<u>2,040</u>		<u>2,042</u>
Capital and reserves					
Called up share capital	7		-		-
Capital contribution reserve	8		17,760		17,760
Profit and loss account	8		(15,720)		(15,718)
Shareholders' funds	9		<u>2,040</u>		<u>2,042</u>

The financial statements were approved by the Board of Directors and authorised for issue on 17/1/15.

T D Woodcock
Director



The notes on pages 8 to 12 form part of these financial statements.

CMI Investments Limited

Notes forming part of the financial statements for the year ended 31 January 2015

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies has been applied:

Fixed asset investments

Investments held as fixed assets are valued at cost less any provision for impairment.

Cash flow statement

The company is a wholly-owned subsidiary of Capital Management and Investment Plc and its results are included in the consolidated financial statements of Capital Management and Investment Plc.

Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1.

2 Operating loss

Remuneration for auditors has been borne by the parent undertaking.

3 Directors and employees

There were no amounts paid in respect of directors' remuneration for the year. There were no other employees in the current or prior year.

4 Investments

	CMI Luxembourg SARL £'000	Xola Management SARL £'000	Total £'000
<i>Cost</i>			
At 1 February 2014 and at 31 January 2015	8,769	15,013	23,782
<i>Impairment</i>			
As at 1 February 2014 and at 31 January 2015	-	13,863	13,863
<i>Net book value</i>			
At 31 January 2014 and at 31 January 2015	8,769	1,150	9,919

CMI Investments Limited

Notes forming part of the financial statements
for the year ended 31 January 2015 (*continued*)

4 Investments (*continued*)

The principal undertakings in which the company's interest at the year end are as follows:

	Country of incorporation or registration	Proportion of voting rights and ordinary share capital held	Nature of business
CMI Luxembourg SARL	Luxembourg	100%	Investments
Algeco Scotsman Holding SARL*	Luxembourg	3%	Investments
Xola Management SARL	Luxembourg	100%	Investments
Yola Investments SARL*	Luxembourg	33%	Investments

* held indirectly

Investment in Algeco Scotsman Holdings ("ASH")

Algeco Scotsman Holding SARL ("ASH") was formed in October 2007 following the merger of Algeco, Europe's leading modular construction and mobile storage business, with Williams Scotsman, the dominant modular storage rental business in North America.

In December 2009 ASH successfully completed a financial restructuring that resulted in a significant reduction in debt held by third parties and an agreement by the shareholders to invest an additional €125 million into the capital of the Company.

Following the restructuring, CMI's existing equity shareholding in ASH reduced from approximately 28% to around 1% which was the position as at 31 January 2010.

CMI entered into an option agreement with the principal shareholder of ASH, TDR Capital, to invest up to €10 million of new equity into ASH on broadly the same terms as the TDR investment on or before 30 April 2010.

Following the Placing and Open Offer of Ordinary shares, CMI exercised this option on 23 April 2010 and paid the first instalment of €6.227m (£5.331m) on 30 April 2010. The balance of €4.08m (£3.470m) was paid on 21 September 2010. Following this, CMI owned 6.58% of the ordinary share capital of ASH.

On 12 October 2013 ASH completed the acquisition of Ausco Modular Holdings Ltd and a refinancing that involved the repayment or capitalisation of all existing bank lending facilities and issue of €2,195m of new secured and unsecured bonds.

The Ausco acquisition gives ASH a significant market presence in the Asia-Pacific region, substantial exposure to high growth markets, and expansion of the company's current geographic footprint.

ASH has also completed a refinancing of its debt facilities. ASH has issued \$1,075 million principal amount of 8.50% Senior Secured Notes due for repayment in 2018 and €275 million aggregate principal amount of 9.00% Senior Secured Notes due for repayment in 2018 (collectively, the "Senior Secured Notes") and \$745 million aggregate principal amount of 10.75% Senior Unsecured Notes due for repayment in 2019 (the "Senior Unsecured Notes" and, together with the Senior Secured Notes, the "Notes"), and secured an additional asset backed facility of up to \$1.2 billion. All existing debt facilities were either capitalised or repaid. As a result of this acquisition and restructuring, the CMI's shareholding in the enlarged group decreased from 6.57% to 2.78%.

CMI Investments Limited

Notes forming part of the financial statements for the year ended 31 January 2015 (continued)

4 Investments (continued)

On 14 May 2013 ASH announced a \$400m 5 year PIK loan placement. The proceeds of the issue were used to return funds to shareholders via capital redemption of ordinary shares. CMI received £6.351m on 2 October 2013.

The company records the carrying value of its shareholding in ASH in the Financial Statements at cost less provisions for impairment.

EBITDA of ASH group was €441m for the year to December 2014. In light of ASH's performance the directors do not believe any provision for impairment is required to the investment's carrying value.

Investment in Yola Investments Sarl ("Yola")

CMI holds an indirect investment of 7% in Magticom, the largest mobile telephone operator in The Republic of Georgia via its 33% shareholding in Yola Investments Sarl, which in turn owns 43% of Metromedia International Group Inc ("MIG") which owns 46% of Magticom.

CMI reported in the Interim Statement issued on 28 October 2010 that MIG had filed for Chapter 11 protection from creditors and that it was in dispute with the holders of the Preference Shares in connection with the value attributable to the Preference Shares.

MIG emerged from Chapter 11 protection from creditors on 31 December 2010 following the agreement of a payment schedule with Preference Shareholders following the determination by the US court of the total amount owing to the holders of the Preference Shares by MIG at \$225m. As at the year end the value of the outstanding loan notes was \$252m.

Trading at Magticom during 2014 was difficult in a challenging economic and competitive environment, however EBITDA for the year to December 2014 increased from \$74m to \$79m.

In view of the amount owed to creditors, the continued uncertainty of the economic situation in Georgia, and continued competitive pressure the Board continue to show the carrying value of its shareholding in Yola in the Financial Statements at £Nil (2013 - £Nil).

5 Debtors

	2015 £'000	2014 £'000
Amounts owed by group undertaking	53	53

All amounts shown above are due for payment within one year.

CMI Investments Limited

Notes forming part of the financial statements
for the year ended 31 January 2015 (continued)

6 Creditors: amounts falling due after more than one year

	2015 £'000	2014 £'000
Amounts owed to parent undertaking	7,945	7,945
Other creditors	3	3
	<u>7,948</u>	<u>7,948</u>

7 Share capital

	2015 Number	Allotted, called up and fully paid 2014 Number	2015 £	2014 £
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

8 Reserves

	Capital contribution reserve £'000	Profit and loss account £'000
At 1 February 2014	17,760	(15,718)
Loss for the financial year	-	(2)
	<u>17,760</u>	<u>(15,720)</u>
At 31 January 2015	<u>17,760</u>	<u>(15,720)</u>

9 Reconciliation of movements in shareholders' funds

	2015 £'000	2014 £'000
Loss for the financial year	<u>(2)</u>	<u>(1)</u>
Net decrease to shareholders' funds	(2)	(1)
Opening shareholders' funds	<u>2,042</u>	<u>2,043</u>
Closing shareholders' funds	<u>2,040</u>	<u>2,042</u>

CMI Investments Limited

**Notes forming part of the financial statements
for the year ended 31 January 2015 (*continued*)**

10 Related party transactions

The company has taken advantage of paragraph 3(c) FRS 8 "Related Party Disclosures" in not disclosing any transactions or balances with wholly owned entities which of the group headed by Capital Management and Investment Plc, as consolidated financial statements of Capital Management and Investment Plc, the ultimate parent company at the year end, are available from Companies House.

11 Ultimate parent company

At 31 January 2015 the company's ultimate parent company and controlling party was Capital Management and Investment PLC.

Copies of the consolidated financial statements of Capital Management and Investment PLC are available from Companies House.