Exterion Media Metro Services (UK) Limited

Annual Reports and Financial Statements

31 December 2014

Registered No 08604811

Directors
S Gregory
A Booker
J Cotterell
D Madden

Auditors
Ernst & Young LLP
1 More London Place
London SE1 2AF

Registered Office
Camden Wharf
28 Jamestown Road
London NW1 7BY

Strategic Report

The Directors present their strategic report for the period 1 October 2013 to 31 December 2014

Incorporation

The company was incorporated on the 10 July 2013, and the first period financial statements were presented for the period from 10 July 2013 to 30 September 2013 In order to realign the financial year with other group companies these financial statements are made up for the 15 month period 1 October 2013 to 31 December 2014 Comparatives are for the period 10 July to 30 September 2013

Review of Business

The principal activity of the Company is that of a poster advertising contractor, operating in the transport sector within the UK

On 13 July 2013, the companies immediate parent, Doubleplay I Ltd, entered into a final, irrevocable and binding offer for the acquisition of all of the capital stock or other equity interests of Exterion Group Holdings Ltd (*formerly* CBS UK Group (2007) Ltd), Exterion Leasing (BDA) Ltd (*formerly* CBS Leasing (Bermuda) Ltd), Exterion Firewalker II (BDA) Ltd (*formerly* CBS Firewalker II Ltd) and the assets of CBS Outdoor Metro Services Limited from CBS Corporation

The assets of CBS Outdoor Metro Services Limited were purchased by the company for $1, the transaction closed on 30 September 2013

On the 30 September 2013 the company agreed a sub concession agreement with CBS Outdoor Metro Services related to the commercial advertising contract ("CAC") with London Underground, this agreement had a fixed transition term of 6 months beginning on 1 October 2013 At the same time service agreements were signed between the Company and Exterion Media (UK) Ltd, a fellow group undertaking to outsource the fulfilment of this contract

The CAC is the only franchise contract the company holds and has an end date of 30 September 2016

In order for the company to perform its obligations under the sub-concession a sub-sublease was signed on 30 September 2013 with CBS Outdoor Metro Services Ltd for the fixed assets related to the CAC This had a fixed term of 6 months to 31 March 2014

At the end of the 6 month transition period the sub lease between CBS Outdoor Metro Services Ltd and Exterion Media (UK) Ltd was novated to the company

The contract was then further extended for an additional two years up to December 2014 and again subsequently extended in line with the extension of the CAC to 30 September 2016 An effective interest rate of 7 1% p a is applied with monthly repayments over the extended term

On 8 October 2013 the company changed its name from Doubleplay LU Ltd to Outdoor Metro Services Ltd and on 20 January 2014 to Exterion Media Metro Services (UK) Limited

Strategic Report

Key performance indicators (KPIs)

The Company's Directors monitor progress and strategy by reference to, but not limited to, the KPI's set out below

	2014	*Definition*
Turnover (£'000)	122,490	
Turnover growth (%)	n/a	Growth in turnover year on year
Gross margin (%)	19 42%	Gross profit as a % of turnover
Operating profit (£'000)	5,487	
Operating profit margin after exceptional items (%)	4 5%	Operating profit before tax as a % of turnover after exceptional items
Average number of employees	81	

The indicators above are those on which management will measure performance of the company in future periods (no trading has been recorded in the period ending 30 September 2013)

Principal risks and uncertainties

Risks and uncertainties associated with operating poster advertising concessions with the Group's partners include the following

- The cyclical nature of advertising revenue and the health of the UK economy,
- Sales revenues derived from the resale of advertising space must cover minimum guarantees payable to franchise partners and deliver a commercial return on any capital investment programme,
- Contractual commitments must be adhered to, including the provision of accurate sales, delivery and other operating data to franchise partners, and
- Health and safety is of paramount importance given the requirement to post advertising campaigns in complex environments

In order to monitor and minimise any potential adverse impact of these key uncertainties, the company's management meets at least once a month to discuss financial and other key performance metrics of the business, including

- Sales and the sales pipeline, key client relationships, research and marketing initiatives,
- Financial performance by franchise partner, upcoming franchise renewals and potential tender opportunities,
- Delivery statistics and incidences of non-display together with appropriate resolution,
- Safety and quality indicators such as incidents at work and reviews of the quality of posted campaigns across nationwide locations, and
- Employee turnover by department and other employee-related matters

The profile of the company's operations exposes it to financial risks including the effects of liquidity risks

Strategic Report

Liquidity risk

The Group, to which the company belongs, central finance department is responsible for ensuring there are appropriate funding requirements to meet the ongoing requirements of the Group and for managing effectively liquid funds in the Group

Regular cash flow forecasts are prepared by the company and reviewed by management Management reviews annual strategy plans, budgets and forecasts, as well as daily cash balances and weekly forecasts to ensure that optimal use is made of liquid funds within the Group to avoid unnecessary borrowing

On Behalf of the Board

Anthony Booker
Director
30 September 2015

Director's Report

Registered No **08604811**

The directors present their report and financial statements for the period ended 31 December 2014 The company was incorporated on the 10 July 2013, and the first period financial statements were presented for the period from 10 July 2013 to 30 September 2013 In order to realign the financial year with other group companies these financial statements are made up for the 15 month period from 1 October 2013 to 31 December 2014 Comparatives are with the period 10 July to 30 September 2013

Results and Dividends

The results for the period are given in the Strategic Report The directors do not recommend the payment of a final ordinary dividend (2013 £nil)

Directors

The directors who served the company during the period were as follows

A Booker
J Cotterell
A Alonso (Appointed 1 October 2013 Resigned 10 February 2014)
D Madden (Appointed 28 November 2013)
S Gregory (Appointed 16 July 2014)

No Director held any disclosable interest in the issued share capital of the company or any parent company during the period The Company maintains liability Insurance, which includes indemnity for its Directors and Officers, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006, and was in force during the entire financial period and as of the date of approval of the financial statements

Research and development

No research and development costs were incurred by the company in the period

Political and Charitable Donations

The company has not made any charitable or political donations in the period

Future Developments

The Company continues to review its existing operations for efficiency Also see strategic report on pages 2 to 4

Events since the balance sheet date

There were no material events after the balance sheet date

Director's Report

Going Concern

The company's business activities, together with the factors likely to affect its future development are described in the Strategic Report on pages 2 to 4

The company is part of a group with considerable financial resources The company's only franchise partner is London Underground ("LU") The LU contract is forecast to make a positive profit contribution in 2015 and 2016 and to generate a positive cash balance

The current contract with London Underground ends on 30 September 2016 Following the end of this contract it is likely that the company will be made dormant

As a consequence, the directors believe the company is well placed to manage its business risks successfully and is well positioned to take advantage of any upswing in the economy and a recovery in advertising revenues

The directors therefore believe it is appropriate to continue to adopt the going concern basis in preparing the report and financial statements

Disabled employees and Employee involvement

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned In the event of members of staff becoming disabled every effort is made to ensure that their employment within the Company continues and the appropriate training is arranged It is the policy of the Company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the Company as a whole Communication with all employees continues through the Company intranet, email communications and an in-house newsletter

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting

On behalf of the Board

Anthony Booker
Director
30 September 2015

Statement of directors' responsibilities

The directors are responsible for preparing the strategic and directors report and the financial statements in accordance with applicable law and regulations

Under Company Law the Directors must not approve the Company financial statements unless they are satisfied that they present fairly the financial position, financial performance and cash flows of the Company for that period In preparing the Company financial statements the Directors are required to

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance,
- state that the Company have complied with IFRSs, subject to any material departures disclosed and explained in the financial statements,
- make judgements and estimates that are reasonable and prudent, and
- prepare the Company 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 transactions, and disclose with reasonable accuracy at any time the financial position of the Company, and enable them to ensure that the Company 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

Independent auditors' report

To the members of Exterion Media Metro Services (UK) Limited

We have audited the financial statements of Exterion Media Metro Services (UK) Limited for the period ended 31 December 2014 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Cash Flow Statement and the related notes 1 to 20 The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union

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

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards 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 In addition, we read all the financial and non-financial information in the Annual Reports and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with the knowledge acquired by us in the course of performing the audit If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on the 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 2014 and of its profit for the period then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

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

Ernst & Young LLP

Philip Young (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
1 October 2015

Income Statement
For the period to 31 December 2014

	Note	Period ended 31 12 14	Period ended 30 09 13
		£000	**£000**
Revenue		122,490	-
Cost of sales		(98,703)	-
Gross profit		**23,787**	-
Other operating income	4	-	4,047
Administrative expenses	3	(18,300)	(4 674)
Operating profit/(loss)		**5,487**	**(627)**
Finance expenses, net	6	(367)	-
Profit/(loss) before tax		**5,120**	**(627)**
Taxation	7	-	-
Profit/(loss) from continuing operations		**5,120**	**(627)**
Profit/(loss) for the period		**5,120**	**(627)**
Attributable to			
Equity holders of the parent		5,120	(627)

Statement of Comprehensive Income
For period ended 31 December 2014

	Note	Period ended 31 12 14 £000	Period ended 30 09 13 £000
Profit/(loss) for the period		5,120	(627)
Other comprehensive income not to be reclassified through profit and loss		-	-
Other comprehensive income for the period, net of tax		5,120	(627)
Total comprehensive income for the period		**5,120**	**(627)**
Attributable to			
Equity holders of the parent		5,120	(627)

All amounts relate to continuing activities

Statement of Financial Position

At 31 December 2014

	Note	31 12 2014 £000	30 09 2013 £000
Non-current assets			
Property, plant and equipment	8	2,220	3,920
		2,220	3,920
Current assets			
Cash at bank		2,091	-
Trade and other receivables	9	20,123	-
Prepayments and other assets	10	1,448	4,672
		23,662	4,672
Total assets		25,882	8,592
Non-current liabilities			
Finance lease creditor	13	1,013	1,270
		1,013	1,270
Current liabilities			
Trade and other payables	11	4,841	215
Finance lease creditor	13	1,270	7,325
Accruals and other liabilities	12	14,228	409
Provisions	14	37	-
		20,376	7,949
Total liabilities		21,389	9,219
Net assets/(liabilities)		**4,493**	**(627)**
Equity attributable to equity holders of the parent			
Issued share capital	15	-	-
Profit/(loss) for the period		5,120	(627)
Retained earnings		(627)	-
Equity (deficit) attributable to owners of the company		4,493	(627)
Total equity (deficit)		**4,493**	**(627)**

These financial statements were approved by the board of Directors and were signed on its behalf by

Anthony Booker

A Booker

30 September 2015

Statement of Changes in Equity

	Share capital £000	Accumulated profits/losses £000	Total equity £000
Total comprehensive loss for the period			
Loss for the period	-	(627)	(627)
Total comprehensive loss for the period	-	(627)	(627)
Balance at 30 September 2013	**-**	**(627)**	**(627)**
Total comprehensive income for the period			
Profit for the period	-	5,120	5,120
Total comprehensive income for the period	-	5,120	5,120
Balance at 31 December 2014	-	4,493	4,493

Cash Flow Statement

	Note	Period ended 31 12 14 £000
Cash flows from operating activities		
Profit for the period before tax		**5,120**
Adjustments for		
Depreciation and amortisation	8	2,753
Finance expense	6	381
Net loss disposal of property, plant and equipment	3	2,385
Impairment charge	3	2,314
Decrease in trade and other receivables, prepayments and other current assets		3,224
Increase in trade and other payables, accruals and other liabilities		13,697
(Increase) in net intercompany receivables		(15,375)
Movement in pension and provisions		37
Interest paid, net	6	-
Tax paid	7	-
Net cash from operating activities		**14,536**
Cash flows from investing activities		
Purchase of property, plant and equipment	**8**	(3,367)
Net cash used in investing activities		**(3,367)**
Cash flows from financing activities		
Payment of finance lease liabilities	**13**	(9,078)
Net cash used in financing activities		**(9,078)**
Net increase in cash at bank		2,091
Cash at bank at 31 December 2014		2,091
Cash at bank at 1 October 2013		-

As there were no cashflows for the period ended 30 September 2013, no comparative figures are provided in the cashflow statement

Notes to the financial statements

at 31 December 2014

1. Accounting policies

Exterion Media Metro Services (UK) Limited (the "Company") is a company incorporated and domiciled in the United Kingdom The company was incorporated on the 10 July 2013, and the first period financial statements were presented for the period from 10 July 2013 to 30 September 2013 In order to realign the financial year with other group companies these financial statements are made up for the 15 month period from 1 October 2013 to 31 December 2014 Comparatives are for the period 10 July to 30 September 2013

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs")

Functional and presentation currency

The Company's functional currency is the British pound sterling These financial statements are presented in British pounds sterling rounded to the nearest thousand, unless otherwise stated

Going concern

The company's business activities, together with the factors likely to affect its future development are described in the Strategic Report on pages 2 to 4

The company's only franchise partner is London Underground, it is also part of a group with considerable financial resources As a consequence, the directors believe the company is well placed to manage its business risks successfully

The directors continue to adopt the going concern basis in preparing the report and financial statements

Fixed assets and depreciation

Fixed assets are recorded at historical cost less accumulated depreciation and impairment, if any Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use Depreciation is provided by the Company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows

Advertising structures	–	the lower of the life of contract or either 10 years for Traditional and 3-5 years for Digital

Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable An impairment loss is recognised for the amount by which the assets carrying value exceeds its recoverable amount

Leases

When assets are financed by leasing arrangement that give rights approximating to ownership, the assets are treated as if they have been purchased outright The amount capitalised is the present value of the minimum lease payments payable during the lease term The corresponding lease commitments are shown as obligations to the lessor Lease payments are split between capital and interest elements using the annuity method Depreciation on the relevant assets and interest are charged to the profit and loss account All other leases are operating leases and the annual rentals are charged to operating profit on a straight line basis over the lease term

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Expenses

Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability

Provisions

A provision is recognised in the statement of financial position when the company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability

Revenue

Turnover represents the amounts (excluding the value added tax) derived from the provision of goods and services to customers during the year, net of commissions and discounts

Media revenues are recognised rateably over the period that the advertisement is displayed

The Company falls outside the scope of IFRS 8, therefore the company is not required nor has it elected to provide details of its operating segments

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that
- the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Financial instruments

Financial instruments are classified as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement The instruments are recorded at cost including any attributable transactions costs All related transactions that affect the profit and loss (such as interest or dividends) are recognised based on the substance of the underling financial instrument

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables and trade and other payables

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Trade and other receivables

Trade and other receivables are recognised initially at fair value Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses

Trade and other payables

Trade and other payables are recognised initially at fair value Subsequent to initial recognition they are measured at amortised cost using the effective interest method

Dividends

Dividends are recorded in the year when approved and declared

New and revised IFRSs that have been issued but are not yet effective

The following adopted IFRSs have been issued but have not been applied by the company in these financial statements Their adoption is not expected to have a material effect on the financial statements unless otherwise indicated

- IFRS 15 'Revenue from Contracts with Customers' effective for periods beginning on or after 1 January 2018 The adoption of this standard is expected to be relevant to the Company but would not cause significant changes to its accounting policies,
- Amendments to IFRS 11 'Accounting of an interest in a joint operation' (effective for annual periods beginning on or after 1 January 2016) The adoption of this amendment is not expected to have any impact on the Company,
- Amendments to IAS 16 and IAS 38 'Clarification of Acceptable Methods of Depreciation and Amortisation' (effective for annual periods beginning on or after 1 January 2016) The adoption of this amendment is not expected to have any impact on the Company as depreciation or amortisation methods applied are not based on revenue,
- Amendments to IAS 19 'Defined Benefit Plans Employee Contributions' (effective for annual periods beginning on or after 1 July 2014) The adoption of this amendment is not expected to have any impact on the Company,
- IFRS 9 'Financial Instruments' (effective for annual periods beginning on or after 1 January 2018) as issued reflects the first phase of the IASB's work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39 The adoption of the first phase of IFRS 9 will have an effect on the classification and measurement of the Company's financial assets, but will not have an impact on classification and measurements of financial liabilities The Company will quantify the effect in conjunction with the other phases, when the final standard including all phases are issued
- Amendments to IFRS 10, IFRS 12 and IAS 28 'Investment Entities Applying the Consolidation Exception (effective for annual periods beginning on or after 1 January 2016) The adoption of this amendment is not expected to have any impact on the Company,
- IFRS 14 'Regulatory Deferral Accounts' (effective for an entity's first annual IFRS financial statements for periods beginning on or after 1 January 2016) The adoption of this amendment is not expected to have any impact on the Company
- Amendments to IAS 1 'Disclosure Initiative', (effective for annual periods beginning on or after 1 January 2016) The adoption of this amendment is not expected to have any impact on the Company,

The Company will normally adopt new standards at the effective date

The Company considered the effect of the above standards and revisions and it has been concluded that there will be no significant impact apart from additional disclosures

Notes to the financial statements *(continued)*

2 Directors' remuneration

The directors of the company did not receive any remuneration relating to the qualifying services provided to the company

3. Operating profit and exceptional items

This is stated after charging

	Period ending 31 12 2014	*Period ending 30 09 2013*
	£000	*£000*
Auditors' remuneration	55	-
Auditors' remuneration for non-audit services	10	-
Staff costs (note 5)	4,035	-
Depreciation of owned fixed assets	2,753	-

Administrative expense for the period totalled £18,300,620 (2013 £4,673,690)

Exceptional Items

Included in administration expenses of £18,300,620 is a loss on disposal of £2,384,682 resulting from the extension of the finance lease (see note 13) and an impairment charge of £2,313,734 (see note 8)

During the period ending 30 September 2013 the fixed assets leased from CBS Outdoor Metro Services Limited were initially recognised at the discounted value of the future lease payments

Subsequent to initial recognition, Doubleplay I Limited, the company's parent, undertook a business valuation as part of the process to report its consolidated results This resulted in the assets being valued at £3,920,501 based on a discounted cash flow model using a discount rate of 13 7% This led to the recognition of an impairment charge of £4,673,690 within administration expenses in the period to 30 September 2013 This impairment charge was treated as an exceptional item

Notes to the financial statements *(continued)*

4. Acquisition of subsidiaries

The trade and assets of CBS Outdoor Metro Services Limited were purchased by the company for $1 from CBS Corporation on 30 September 2013 This transaction was part of the acquisition of the CBS Outdoor International Group by Doubleplay I Ltd

Effect of acquisition

The acquisition had the following effect on the companies' assets and liabilities

	Recognised values on acquisition £000
Acquiree's net assets at the acquisition date	
Assets	
Property, plant and equipment	8,594
Prepayments and other current assets	4,672
	13,266
Liabilities	
Trade and franchise payables	215
Accruals and other current liabilities	410
Finance Lease Liabilities	8,594
	9,219
Net identifiable assets and liabilities	**4,047**
Gain arising upon acquisition recognised in other income	**4,047**

5 Staff costs

On 1 October 2013 the employees of CBS Outdoor Metro Services transferred to the company Previously the company incurred no employee costs and the average number of employees was none The staff costs for the period 1 October 2013 to 31 December 2014 are shown below

	Period ending 31 12 2014 £000	*Period ending 30 09 2013 £000*
Wages and salaries	3,433	-
Social security costs	371	-
Other pension costs	231	-
	4,035	-

Notes to the financial statements *(continued)*

5. Staff costs (continued)

The average monthly number of persons employed by the Company during the period, analysed by category, was as follows

	Period ending 31 12 2014	*Period ending 30 09 2013*
	No	*No*
By activity		
Operations	79	-
Administration	2	-
	81	-

6. Finance expenses, net

	Period ending 31 12 2014	*Period ending 30 09 2013*
	£000	*£000*
Finance income		
Interest income on bank accounts	14	-
Finance expense		
Total interest expense on financial liabilities measured at amortised cost	(381)	-
Total finance expense	(381)	-
Finance expenses, net	**(367)**	-

Notes to the financial statements *(continued)*

7. Tax

(a) There is no current tax charge in the period

(b) Factors affecting current tax in the period

The tax assessed for the period differs from the blended rate of corporation tax in the UK during the period of 21 80% (31 December 2014 – 23%)

The differences can be explained below

	Period ended 31 12 14	**Period ended 30 09.13**
	£000	*£000*
Profit on ordinary activities before tax	5,120	(627)
Tax on ordinary activities multiplied by standard rate of corporation tax in the UK of 21 80% (31 December 2014 – 23%)	1,116	(144)
Effects of		
Non taxable income on acquisition of net assets	-	(931)
Excess of depreciation over capital allowances	958	-
Lease payments on finance lease	(1,896)	-
Impairment of Property, Plant and Equipment	504	1,075
Claim of losses of group relief for nil payment	(682)	-
Current tax for the period	-	-

(c) Deferred tax

There is no deferred tax, as the property, plant and equipment held by the company on the balance sheet are leased assets, for which a rental stream is payable

(d) Factors that may affect future tax charges

A number of changes to the UK Corporation tax system as announced in the March 2013 Budget Statement was enacted by the Finance Act on 17 July 2013 and included legislation to reduce the main rate of corporation tax further from 21% down to 20% with effect from 1 April 2015

Deferred tax is measured on a non discounted basis at the tax rate which is expected to apply in the periods in which timing differences reverse based on tax rates and laws substantively enacted at the balance sheet date

Notes to the financial statements *(continued)*

8. Property, plant and equipment

	Advertising structures £000	Work in progress £000	Total £000
Cost			
At 1 October 2013	8,594	-	8,594
De-recognition of leased assets	(8,594)	-	(8,594)
Recognition of leased assets	2,385	-	2,385
Transfers from other group companies	3,311	56	3,367
At 31 December 2014	5,696	56	5,752
Accumulated depreciation			
At 1 October 2013	(4,674)	-	(4,674)
De-recognition of leased assets	6,209	-	6,209
Impairment charge	(2,314)		(2,314)
Charge for the period	(2,753)	-	(2,753)
At 31 December 2014	(3,532)	-	(3,532)
Net book value			
At 31 December 2014	2,164	56	2,220
At 30 September 2013	3,920	-	3,920

9 Trade and other receivables

	2014 £000	2013 £000
Due within one year		
Amounts Owed by Fellow Subsidiary Undertakings	20,123	-
	20,123	-

10. Prepayments and other assets

	2014 £000	2013 £000
Due within one year		
VAT Receivable	1,204	-
Prepayments and accrued income	-	4,672
Inventories	243	-
Other Debtors	1	-
	1,448	4,672

Notes to the financial statements *(continued)*

11. Trade and other payables

	2014 £000	2013 £000
Amounts falling due within one year		
Trade creditors	94	215
Amounts Owed to Fellow Subsidiary Undertakings	4,747	-
	4,841	215

12. Accruals and other liabilities

	2014 £000	2013 £000
Amounts falling due within one year		
Finance lease	1,270	7,325
Accruals and deferred income	14,228	409
	15,498	7,734

13. Finance lease creditor

In order for the company to perform its obligations under the sub-concession a sub-sublease was signed on 30 September 2013 with CBS Outdoor Metro Services Ltd for the fixed assets related to the CAC This had a fixed term of 6 months to 31 March 2014

At the end of the 6 month transition period the sub lease between CBS Outdoor Metro Services and Exterion Media (UK) Ltd was novated to the company

The contract was then further extended for an additional two years up to December 2014 and again subsequently extended in line with the extension of the CAC to 30 September 2016 An effective interest rate of 7 1% p a is applied with monthly repayments over the extended term

	31 12 2014 £000	30 09 2013 £000
Future minimum payments under the finance lease are as follows		
Within one year	1,392	7,681
In two to five years inclusive	1,043	1,280
Total gross payments	2,435	8,961
Less finance charges	(152)	(367)
	2,283	8,594

Notes to the financial statements *(continued)*

14. Provisions for liabilities

	Accrued Holiday Provision 31 12 2014
At 1 October 2013	-
Recognition of provision	37
Utilisation of provision in period	-
At 31 December 2014	37

The recognition of a holiday accrual relates to amount payable to employees were they to leave the business with an unused holiday balance Company policy is to allow up to five unused days to be carried over from one accounting period to the next

15. Issued share capital

	31 12 2014	30 09 2013
Allotted, called up and fully paid	£	£
Ordinary shares of £1 each	1	1

One Ordinary share of £1 was issued on date of incorporation For the purposes of the company's capital management, capital included issued share capital and all other equity reserve attributable to the equity holders of the parent The primary objective of the company's capital management is to maximise shareholder value

16 Events since the balance sheet date

There were no material events after the balance sheet date

17. Pensions

During the period, certain of the Company's employees were members of the Exterion Media Pension Scheme (formerly known as the CBS Outdoor Pension Scheme)

The Exterion Media Scheme, a money purchase scheme, is an exempt approved scheme under Chapter 1, Part XIV of the Taxes Act (2001) The assets of the scheme are held in trust in an independently managed fund and are therefore completely separate from the assets of the Company The pension scheme is independently advised and its financial statements are independently audited The pension cost relating to the scheme for the period was £231,249
(2013 – Nil) of which £14,312 (2013 – Nil) was accrued and unpaid at the year end

18 Other financial commitments

In the normal course of business and in line with accepted practice in the industry in which it operates, the Company has entered into contracts to provide advertising services to site owners The terms of these contracts include commitments to pay future minimum guaranteed fees to the site owners concerned, which are not disclosed due to commercial sensitivity

Notes to the financial statements *(continued)*

19. Related party transactions

	Sales from	Commissions and expense recharges to	Interest expense incurred from	Sales from	Commissions and expense recharges to	Interest expense incurred from
	Period ending 31 12 2014	Period ending 31 12 2014	Period ending 31 12 2014	Period ending 30 09 2013	Period ending 30 09 2013	Period ending 30 09 2013
	£000	£000		£000	£000	
Exterion Media (UK Limited	122,490	(25,446)	(141)	-	-	-

	Receivables/ (Payables) outstanding 31 12 2014 £000	Receivables/ (Payables) outstanding 30 09 2013 £000
Exterion Media (UK) Limited	13,093	-

Balance includes the finance lease creditor, see note 13

20. Ultimate parent undertaking and controlling party

The company is a subsidiary undertaking of Doubleplay I Limited a company registered in United Kingdom Its ultimate parent company is Semper Veritas Holding S a r l, a company registered in Luxembourg The ultimate controlling party is Platinum Equity Capital Partners International III (Cayman), L P

The smallest and largest group in which the results of the company are consolidated is that headed by Doubleplay I Limited, incorporated in England and Wales No other group financial statements include the results of the Company The consolidated financial statements of this group are available to the public and may be obtained from Camden Wharf 28 Jamestown Road London NW1 7BY