

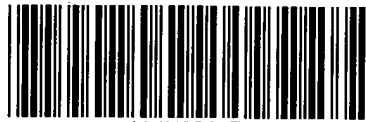
**Company Registration No. 01275893**

**Panini UK Limited**

**Annual Report and Financial Statements**

**31 December 2014**

WEDNESDAY



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# **Panini UK Limited**

## **Annual report and financial statements 2014**

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# **Panini UK Limited**

## **Annual report and financial statements 2014**

### **Officers and professional advisers**

#### **Directors**

M.T. Riddell  
A.H. Sallustro  
J.P. Harris

#### **Secretary**

P. Dobson

#### **Registered office**

Brockbourne House  
77 Mount Ephraim  
Tunbridge Wells  
Kent  
TN4 8BS

#### **Bankers**

Barclays Bank Plc  
2nd Floor, 30 Tower View  
Kings Hill  
West Malling  
Kent  
ME19 4UY.

BNP Paribas  
5 Albermarbury Square  
London  
EC2V 7HR

#### **Solicitors**

Cripps Harries Hall  
Wallside House  
12 Mount Ephraim Road  
Tunbridge Wells  
Kent  
TN1 1EG

#### **Auditor**

Deloitte LLP  
Chartered Accountants  
Crawley

# **Panini UK Limited**

## **Strategic report**

The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

### **Review of the business**

Panini UK had satisfactory results from both Collectable and Publishing divisions. Turnover increased to £62,744,838 (2013: £41,968,351) and operating profit to £11,430,679 (2013: £4,035,007).

The directors are satisfied with the financial position of the company at 31 December 2014.

### **Key performance indicators**

Turnover has increased by 49.5% due to strong sales of football and entertainment collectable products, while profit for the year has increased to £8,878,714 (2013: £2,760,164).

### **Principal risks and uncertainties**

The company's performance is largely dependent upon the quality and availability of sport and entertainment licences and the retention of key senior employees.

### **Future prospects**

The directors are confident that the company will maintain its profitability due to the strength of the licences currently held.

The directors have received assurances that the company will continue to receive the financial support of its parent undertaking, Panini Spa, for the foreseeable future.

### **Going concern**

The directors have considered the current position of the company. At 31 December 2014 the company had net cash of £1,865,753 (2013: £1,779,686) and net current assets of £26,043,419 (2013: £16,526,890). The directors have prepared a trading forecast until September 2016 and received a confirmation from Panini SpA, the parent company that it intends to continue to support the company for at least 12 months from the date of signing. After making these enquiries the directors have a reasonable expectation that the company has adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

### **Financial risk management objectives and policies**

The company's activities expose it to limited amounts of financial risk including credit risk, cash flow risk, liquidity risk, price risk and foreign exchange risk. The company does not use derivative financial instruments.

#### ***Credit risk***

There is a credit risk on the company's trade debtors. The trade debtors are mostly owed by one customer with whom the company has a long-standing relationship. A provision is made for doubtful debts and for sales returns. The company has established systems to monitor the on-going accuracy of these provisions. Prepayments and accrued income include minimum guarantees paid under licensing contracts. The recoverability of these is dependent upon the success of future collections.

# Panini UK Limited

## Strategic report

### Financial risk management objectives and policies (continued)

#### *Cash flow risk*

The company's expenditure and income is primarily Sterling denominated. The company is not significantly exposed to interest rate risk.

#### *Liquidity risk*

Liquidity is managed by the parent group and the company is reliant upon their continued support to ensure adequate liquidity.

#### *Price risk*

The company has no significant exposure to commodity price risk.

#### *Foreign exchange risk*

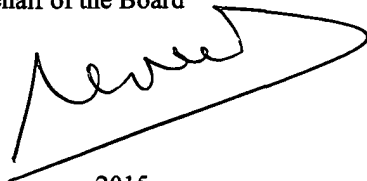
The company faces exposure to foreign exchange rate movements due to international trading in Euro, Brazilian real, Mexican Peso, Swiss Franc, US Dollar and Japanese Yen.

Approved by the Board of Directors  
and signed on behalf of the Board

M.T Riddell  
Director

29/5

2015



# Panini UK Limited

## Directors' report

### Dividends

No dividend is recommended for the year (2013, - £nil).

### Directors

The directors who served throughout the year are shown below:

M.T. Riddell  
A.H. Sallustro  
J.P. Harris

### Independent auditor and statement of provision of information to the independent auditor

Each of the persons who is a director at the date of approval of this report confirms that:

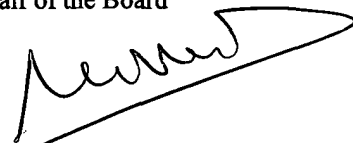
- (1) So far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- (2) The director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as the company's auditor and appropriate arrangements are being made for them to be reappointed as auditors in the absence of an Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board

M.T Riddell  
Director

  
29/9 2015

## **Directors' responsibilities statement**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- 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.

## **Independent auditor's report to the members of Panini UK Limited**

We have audited the financial statements of Panini UK Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 18. 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 auditor**

As explained more fully in the Directors' Responsibilities Statement, 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 report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.


### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic and Directors' Reports for the financial year 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.

  
Matthew Coulson  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Crawley, United Kingdom

29 September 2015



# Panini UK Limited

## Profit and loss account Year ended 31 December 2014

|   | Note | 2014<br>£    | 2013<br>£<br>(as restated<br>– Note 1) |
|---|------|--------------|--|
| Turnover                                      | 2    | 62,744,838   | 41,968,351                             |
| Cost of sales                                 |      | (48,459,105) | (35,136,933)                           |
| Gross profit                                  |      | 14,285,733   | 6,831,418                              |
| Administrative expenses                       |      | (2,855,054)  | (2,796,411)                            |
| Operating profit                              |      | 11,430,679   | 4,035,007                              |
| Interest receivable and similar income        |      | 33,026       | 323                                    |
| Interest payable and similar charges          | 5    | (378,236)    | (275,166)                              |
| Profit on ordinary activities before taxation | 6    | 11,085,469   | 3,760,164                              |
| Tax charge on profit on ordinary activities   | 7    | (2,206,755)  | (1,000,000)                            |
| Profit for the financial year                 | 17   | 8,878,714    | 2,760,164                              |

There were no recognised gains or losses for the current or prior year other than the profit attributable to shareholders of the company as disclosed in the profit and loss account. Accordingly no statement of total recognised gains and losses is presented.

All results for the current and prior year derive from continuing operations.

# Panini UK Limited

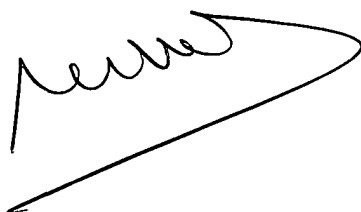
## Balance sheet Year ended 31 December 2014

|   | Note  | 2014<br>£    | 2013<br>£    |
|---|-------|--------------|--------------|
| <b>Fixed assets</b>   |       |              |              |
| Tangible assets   | 9     | 35,294       | 60,338       |
| <b>Current assets</b>   |       |              |              |
| Stocks  | 10    | 1,121,252    | 1,354,374    |
| Debtors   | 11    | 48,909,081   | 42,375,778   |
| Cash at bank and in hand  |       | 1,865,753    | 1,779,686    |
|   |       | 51,896,086   | 45,509,838   |
| <b>Creditors – amounts falling due within one year</b>          | 12    | (25,852,667) | (28,982,948) |
| <b>Net current assets</b>                                       |       | 26,043,419   | 16,526,890   |
| <b>Total assets less current liabilities</b>                    |       | 26,078,713   | 16,587,228   |
| <b>Creditors – amounts falling due after more than one year</b> | 13    | (3,249,448)  | (2,636,677)  |
| <b>Net assets</b>   |       | 22,829,265   | 13,950,551   |
| <b>Capital and reserves</b>                                     |       |              |              |
| Called up share capital   | 16,17 | 13,672,039   | 13,672,039   |
| Profit and loss account   | 17    | 9,157,226    | 278,512      |
| <b>Shareholders' funds</b>                                      | 17    | 22,829,265   | 13,950,551   |

These financial statements of Panini UK Limited, company registration no. 01275893, were approved by the Board of Directors and authorised for issue on 29/9 2015.

Signed on behalf of the Board of Directors

M Riddell  
Director



**Notes to the financial statements**  
**Year ended 31 December 2014**

**1. Accounting policies**

A summary of the principal accounting policies, which have been applied consistently throughout the current and preceding year, is set out below:

**Basis of accounting**

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom.

**Going concern**

The directors have considered the current position of the company. The strategic report on page 2 gives an overview of the performance during the year, the principal business risks and uncertainties which it faces and the risk management policies it adopts to mitigate its main financial risks. At 31 December 2014 the company had net cash of £1,865,753 (2013 - £1,779,686) and net current assets of £26,063,419 (2013 - £16,526,890). The directors have prepared a trading forecast for the coming year and received a confirmation from Panini SpA, a parent company, that it intends to continue to support the company for at least 12 months from the date of signing. After making these enquiries the directors have a reasonable expectation that the company has adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

**Turnover**

Turnover from the supply of goods excludes value added tax and trade discounts and is net of a distribution fee. The turnover represents the value of goods supplied, on a sale or return basis, net of an estimated provision for returns. The estimated provision for returns is based on historic sales trends and information received from distributors.

Royalties from licensing activities are recognised in line with the company's performance under the licensing contract.

**Intangible fixed assets**

Trademarks are included at cost and depreciated in equal annual instalments over the period of their estimated useful economic life of six years. Provision is made for any impairment.

**Tangible fixed assets**

Fixed assets are stated at their purchase price, together with any incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets on a straight-line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are as follows:

|                                |   |     |
|--------------------------------|---|-----|
| Office equipment and furniture | - | 33% |
|--------------------------------|---|-----|

**Stocks and work in progress**

Stocks and work in progress are stated at the lower of cost and net realisable value. In general, cost is determined on a first in, first out basis and includes labour, transport and handling costs. Net realisable value is the higher of the price at which stock can be sold or returned to the supplier. Provision is made where necessary for obsolete, slow moving and defective stocks.

**Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rates ruling at the balance sheet date. All differences are taken to the profit and loss account.

**Post Balance Sheet Event**

Due to adverse exchange movements in 2015 the company has suffered an exchange rate loss in the period to the end of August 2015 of £3.395m

**Notes to the financial statements**  
**Year ended 31 December 2014**

**1. Accounting policies (continued)**

**Taxation**

UK corporation tax and foreign tax incurred is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

**Pension scheme arrangements**

The company makes contributions to personal pension schemes for certain employees. See note 15 for further information.

**Operating lease rentals**

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

**Cash flow statement**

The company is exempt from preparing a cash flow statement under FRS 1 'Cash flow statements (revised 1996) on the basis that its results are consolidated in the publically available financial statements of its ultimate parent company.

**2013 restatement**

For the purpose of prior year comparative, £1.873m of admin costs in 2013 were re-allocated to cost of sales, as this better reflects the nature of activities.

**2. Segment information**

It is the opinion of the directors that, in view of the nature of the company's business, the markets in which it operates do not differ substantially from each other and are therefore treated as one market for the purposes of disclosing particulars of turnover in these accounts.

**3. Directors' remuneration**

|   | <b>2014</b>    | <b>2013</b>    |
|---|----------------|----------------|
|   | <b>£</b>       | <b>£</b>       |
| Emoluments  | 155,753        | 323,664        |
| Company contributions to money purchase schemes                       | 21,876         | 21,876         |
|   | <u>177,629</u> | <u>345,540</u> |
|   |                |                |
|   | <b>2014</b>    | <b>2013</b>    |
|   | <b>No.</b>     | <b>No.</b>     |
| Directors who were members of the defined contribution pension scheme | <u>1</u>       | <u>1</u>       |

**Notes to the financial statements**  
**Year ended 31 December 2014**

**4. Staff costs**

|                       | <b>2014</b>      | <b>2013</b>      |
|-----------------------|------------------|------------------|
|                       | <b>£</b>         | <b>£</b>         |
| Wages and salaries    | 1,495,654        | 1,609,387        |
| Social security costs | 171,267          | 173,498          |
| Pension costs         | 81,895           | 58,363           |
|                       | <u>1,748,816</u> | <u>1,841,248</u> |

The average weekly number of persons (including directors) employed during the year was:

|                          | <b>2014</b> | <b>2013</b> |
|--------------------------|-------------|-------------|
|                          | <b>No.</b>  | <b>No.</b>  |
| Editorial and production | 23          | 21          |
| Marketing                | 6           | 6           |
| Administration           | 7           | 7           |
|                          | <u>36</u>   | <u>34</u>   |

**5. Interest payable / (receivable) and similar charges**

|                                       | <b>2014</b>    | <b>2013</b>    |
|---------------------------------------|----------------|----------------|
|                                       | <b>£</b>       | <b>£</b>       |
| Bank loans and overdrafts             | -              | 64             |
| On amounts owed to Group undertakings | 378,236        | 275,102        |
|                                       | <u>378,236</u> | <u>275,166</u> |

**6. Profit on ordinary activities before taxation**

|  | <b>2014</b>      | <b>2013</b>    |
|--|------------------|----------------|
|  | <b>£</b>         | <b>£</b>       |
| <b>Profit on ordinary activities before taxation is stated after charging:</b> |                  |                |
| Depreciation – owned assets  | 39,613           | 51,574         |
| Operating lease rentals - other  | 183,322          | 183,322        |
| Foreign exchange loss  | 4,348,732        | 764,466        |
|  | <u>4,571,667</u> | <u>999,362</u> |

|  | <b>2014</b>   | <b>2013</b>   |
|--|---------------|---------------|
|  | <b>£</b>      | <b>£</b>      |
| <b>The analysis of auditor's remuneration is as follows:</b>                         |               |               |
| Fees payable to the company's auditor for the audit of the company's annual accounts | 60,174        | 34,484        |
|  | <u>60,174</u> | <u>34,484</u> |
| Tax compliance services  | 5,150         | 5,150         |
|  | <u>5,150</u>  | <u>5,150</u>  |

**Notes to the financial statements**  
**Year ended 31 December 2014**

**7. Tax charge on profit on ordinary activities**

**(a) Tax charge on profit on ordinary activities**

|   | <b>2014</b>      | <b>2013</b>      |
|---|------------------|------------------|
|   | <b>£</b>         | <b>£</b>         |
| Profit on ordinary activities before tax                  | 11,085,469       | 3,760,164        |
| Tax on profit at standard UK rate of 21.49% (2013 23.25%) | 2,382,617        | 874,238          |
| Effects of:   |                  |                  |
| Expenses not deductible for tax purposes                  | 1,433            | 1,801            |
| Capital Allowances for period in excess of depreciation   | (22,179)         | 7,748            |
| Movement in short term timing differences                 | 9,583            | (25,921)         |
| (Utilisation of tax losses) / tax losses carried forward  | (977,404)        | (857,791)        |
| Adjustment to tax charge in respect of previous periods   | 65               | -                |
| Effects of small company tax rates                        | -                | (75)             |
| Foreign tax suffered                                      | -                | -                |
|   | <u>1,394,115</u> | <u>-</u>         |
| <b>Deferred tax</b>                                       |                  |                  |
| Timing differences, origination and reversal of timing    | 932,000          | 1,000,000        |
| Tax charge on profit on ordinary activities               | <u>812,640</u>   | <u>1,000,000</u> |
| Tax on profit on ordinary activities                      | <u>2,206,755</u> | <u>1,000,000</u> |

**(b) Factors affecting current tax charge for the year**

The tax assessment for the year is lower (2013 – lower) than that resulting from applying the standard rate of corporation tax in the UK of 21.49% (2013 – 23.25%). The differences are explained below:

|   | <b>2014</b>  | <b>2013</b> |
|---|--------------|-------------|
|   | <b>%</b>     | <b>%</b>    |
| Standard tax rate for year as a percentage of (loss) / profit | 21.49        | 23.25       |
| Effects of:   |              |             |
| Tax losses utilised   | (8.89)       | (23.25)     |
| Withholding tax on royalties                                  | -            | -           |
| Current tax rate for year as a percentage of (loss) / profit  | <u>12.60</u> | <u>-</u>    |

# Panini UK Limited

## Notes to the financial statements Year ended 31 December 2014

### 8. Intangible fixed assets

|   | <b>Trademarks<br/>£</b> |
|---|-------------------------|
| <b>Cost</b>                               |                         |
| At 1 January 2014 and at 31 December 2014 | <u>1,450,000</u>        |
| <b>Accumulated amortisation</b>           |                         |
| At 1 January 2014 and at 31 December 2014 | <u>1,450,000</u>        |
| <b>Net book value</b>                     |                         |
| At 31 December 2014                       | <u><u>-</u></u>         |
| At 31 December 2013                       | <u><u>-</u></u>         |

### 9. Tangible fixed assets

|                                 | <b>Office<br/>equipment<br/>and<br/>furniture<br/>£</b> |
|---------------------------------|---|
| <b>Cost</b>                     |   |
| At 1 January 2014               | 497,047   |
| Additions                       | 14,569  |
| Disposals                       | <u>( 26,459 )</u>                                       |
| At 31 December 2014             | <u>485,157</u>  |
| <b>Accumulated depreciation</b> |   |
| At 1 January 2014               | 436,709   |
| Provided during the year        | 39,613  |
| Disposals                       | <u>(26,459 )</u>  |
| At 31 December 2014             | <u>449,863</u>  |
| <b>Net book value</b>           |   |
| At 31 December 2014             | <u><u>35,294</u></u>                                    |
| At 31 December 2013             | <u><u>60,338</u></u>                                    |

# Panini UK Limited

## Notes to the financial statements Year ended 31 December 2014

### 10. Stocks

|                  | 2014<br>£        | 2013<br>£        |
|------------------|------------------|------------------|
| Finished goods   | 1,031,405        | 1,239,204        |
| Work-in-progress | 89,847           | 115,170          |
|                  | <u>1,121,252</u> | <u>1,354,374</u> |

### 11. Debtors

|  | 2014<br>£         | 2013<br>£         |
|--|-------------------|-------------------|
| <b>Amounts falling due within one year:</b>          |                   |                   |
| Trade debtors  | 9,964,553         | 10,789,827        |
| Amounts due from group undertakings                  | 25,399,430        | 15,618,624        |
| Other debtors  | 498,652           | 577,846           |
| Deferred tax (note 14)                               | 119,360           | 932,000           |
| Prepayments and accrued income                       | 3,906,600         | 11,820,804        |
|  | <u>39,888,595</u> | <u>39,739,101</u> |
| <b>Amounts falling due after more than one year:</b> |                   |                   |
| Prepayments  | 9,020,486         | 2,636,677         |
|  | <u>48,909,081</u> | <u>42,375,778</u> |

### 12. Creditors: amounts falling due within one year

|                                    | 2014<br>£         | 2013<br>£         |
|------------------------------------|-------------------|-------------------|
| Trade creditors                    | 5,620,166         | 4,069,067         |
| Amounts owed to group undertakings | 13,906,397        | 13,278,067        |
| Other taxation and social security | 1,444,324         | 54,739            |
| Accruals and deferred income       | 4,881,780         | 11,581,075        |
|                                    | <u>25,852,667</u> | <u>28,982,948</u> |

### 13. Creditors: amounts falling due in more than one year

|                              | 2014<br>£        | 2013<br>£        |
|------------------------------|------------------|------------------|
| Accruals and deferred income | 3,249,448        | 2,636,677        |
|                              | <u>3,249,448</u> | <u>2,636,677</u> |



**Notes to the financial statements**  
**Year ended 31 December 2014**

**14. Deferred taxation**

|                                   | 2014<br>£      | 2013<br>£      |
|-----------------------------------|----------------|----------------|
| At 1 January 2014                 | 932,000        | 1,932,000      |
| charge to profit and loss account | (812,640)      | (1,000,000)    |
| At 31 December 2014               | <u>119,360</u> | <u>932,000</u> |

The deferred tax asset above relates to accelerated capital allowances.

**15. Commitments and contingencies**

**(a) Pension and similar obligations**

From 1 January 1992, certain employees are entitled to a contribution from the company towards their pension schemes of 6% - 15%.

The total pension cost for the company was £81,895 (2013 - £58,363).

**(b) Operating leases**

The company has commitments during the next year under non-cancellable operating leases as follows:

|                                       | Land and buildings<br>2014<br>£ | 2013<br>£      |
|---------------------------------------|---------------------------------|----------------|
| <b>Operating leases which expire:</b> |                                 |                |
| In two to five years                  | <u>183,322</u>                  | <u>183,322</u> |

**16. Share capital**

|   | 2014<br>£         | 2013<br>£         |
|---|-------------------|-------------------|
| <b>Allotted, called up and fully paid</b>                 |                   |                   |
| 13,672,039 (2013 - 13,672,039) ordinary shares of £1 each | <u>13,672,039</u> | <u>13,672,039</u> |

**17. Combined reconciliation of movements in shareholders' funds and statement of movements on reserves**

|                               | Share<br>capital<br>£ | Profit and<br>loss account<br>£ | Total<br>2014<br>£ | Total<br>2013<br>£ |
|-------------------------------|-----------------------|---------------------------------|--------------------|--------------------|
| At 1 January 2014             | 13,672,039            | 278,512                         | 13,950,551         | 11,190,388         |
| Profit for the financial year | -                     | 8,878,714                       | 8,878,714          | 2,760,164          |
| At 31 December 2014           | <u>13,672,039</u>     | <u>9,157,226</u>                | <u>22,829,265</u>  | <u>13,950,551</u>  |

**18. Ultimate parent undertaking and related party transactions**

The immediate parent undertaking is Panini Ireland Limited.

The ultimate parent undertaking and controlling entity is ID4 Investimenti Srl, a company incorporated in Italy which is the smallest and largest group for which consolidated accounts are prepared.

Copies of these companies' accounts can be obtained from Viale Emilio PO 380, 41100 Modena, Italy.

The company has taken advantage of the exemption in paragraph 3(c) of FRS8 from disclosing transactions with related parties that are 100% owned by ID4 Investimenti Srl.