

# Financial Statements

## Arri (GB) Limited

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**For the year ended 31 December 2013**

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30/04/2014

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COMPANIES HOUSE

**Registered number: 1688620**

**Arri (GB) Limited**

## Company Information

|                            |  |
|----------------------------|--|
| <b>Directors</b>           | DJF Everitt<br>F Kraus<br>M Prillmann<br>M Cayzer (appointed 19 December 2013)   |
| <b>Registered number</b>   | 1688620  |
| <b>Registered office</b>   | 2 Highbridge<br>Oxford Road<br>Uxbridge<br>UB8 1LX   |
| <b>Independent auditor</b> | Grant Thornton UK LLP<br>Chartered Accountants & Statutory Auditor<br>1020 Eskdale Road<br>IQ Winnersh<br>Wokingham<br>Berkshire<br>RG41 5TS |

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# Directors' Report

For the year ended 31 December 2013

The directors present their report and the financial statements for the year ended 31 December 2013

## Principal activities, business review and future developments

The principal activities of the Company and its subsidiary undertakings included in the consolidation are the rental of camera, lighting and digital equipment to the film, television, theatre and event industries

## Results and dividends

The profit for the year, after taxation, amounted to £969,000 (2012 - £2,529,000)

In January 2013 the Group declared a dividend to shareholders of €4 0m (£3 33m), which was paid during the year (2012 Nil)

## Charitable contributions

Donations to UK charities during the year amounted to £2,010 (2012 £2,083)

## Directors

The directors who served during the year were

TJ Moran (resigned 31 December 2013)  
DJF Everitt  
F Kraus  
M Prillmann  
M Cayzer (appointed 19 December 2013)

## Directors' responsibilities statement

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

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

## Directors' Report

For the year ended 31 December 2013

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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Disclosure of information to auditor

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

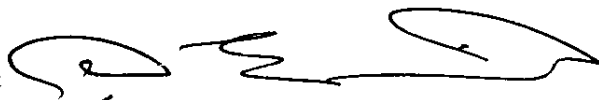
- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the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

### Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf

DJF Eventt  
Director



Date 16 APR 2014

# **Group Strategic Report**

**For the year ended 31 December 2013**

## **Introduction**

This is the first time we have provided a comprehensive report on the Group's business strategy. The objectives of this report are to provide shareholders and other users of these statements

- with the appropriate level of background context for these financial statements
- with an analysis of the Group's past performance, and
- insight into the Group's main objectives and strategies, and the principal risks it faces and how they might affect future prospects

## **The Group's Objectives**

The Board continues to seek to deliver sustainable, responsible and profitable business growth in order to deliver

- Innovative and class leading solutions to clients requirements
- Excellent customer service
- Challenging and rewarding careers for the group's employees
- Growth in shareholder value

## **The Group's Strategy**

The Group's strategy is to

- Maintain proactive customer engagement by understanding customer needs and identifying opportunities for providing new technology solutions
- Ensure that excellent, consistent technical knowledge and skills are available across the group
- Continually develop and improve the business infrastructure so service excellence can be maintained

## **Business review**

The Principal activities of the Company and its subsidiary undertakings included in the consolidated financial statements are the renting of camera, grip and lighting equipment to the film, television and related industries

During the year the Group generated

Turnover £16.9m (2012 £19.2m)  
Operating profit £1.5m (2012 £4.5m)

Revenue was adversely impacted by £2.3m due to soft market conditions in 2013 which also led to a reduction in gross margin, reflected in the reduction in operating profit

The Directors anticipate that a stronger market in 2014, together with the launch of new technologies will lead to an increase in revenue and profit throughout the year

The Directors regularly review the group structure, and following one such review it was decided to place Arri Media Services Limited, Cinequip Lighting Company Limited and Arri Rental Limited, all subsidiary undertakings, into liquidation

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

The Group's finance department implements the policies set by the Board of Directors. The department has guidelines agreed by the directors to manage price risk, credit risk and circumstances where it would be appropriate to use financial instruments to manage these

## Group Strategic Report (continued)

### Principal risks and uncertainties

#### Performance risk

The Board considers the principal risks and uncertainties facing the business to be those associated with the current general economic climate. In addition any deterioration in the quality and pricing of the product offering in the future could affect performance.

#### Price risk

The Group has little exposure to commodity price risk as a result of its operations. The Group has no exposure to equity securities price risk as it holds no listed or other equity investment, other than subsidiary undertakings.

#### Credit risk

The Group has implemented policies that require appropriate credit checks on potential customers before new accounts are accepted. The amount of exposure to any individual client is subject to a limit, which is reassessed annually by management.

#### Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs. The cash position is reviewed regularly and cash flows are monitored monthly.

### Financial key performance indicators

The Group monitors Revenue, Equipment Utilisation, Gross Profit Margin and Earnings before Tax.

| Year ended 31 December | 2013   | 2012   | 2011   |
|------------------------|--------|--------|--------|
| Revenues               | £16.9m | £19.2m | £19.6m |
| Gross Profit           | £7.3m  | £9.9m  | £9.5m  |
| Gross Profit %         | 43.2%  | 51.6%  | 48.5%  |
| Profit before Tax      | £1.3m  | £4.1m  | £3.0m  |

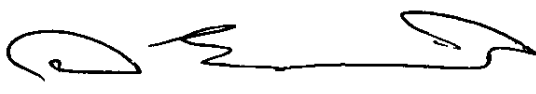
### Recruitment and employee relations

Recruitment policies are designed to ensure equal opportunity of employment regardless of age, race or sex. Appropriate consideration is given to disabled applicants in offering employment.

Good relations are maintained with employees by regular meetings within their operational teams compatible with the team's particular circumstances. Senior management are kept informed through regular monthly or more frequent meetings as required.

This report was approved by the board and signed on its behalf

DJF Everitt  
Director  
Date



16 APR 2014

## Independent Auditor's Report to the Members of Arri (GB) Limited

We have audited the financial statements of Arri (GB) Limited for the year ended 31 December 2013, which comprise the Consolidated Profit and Loss Account, the Consolidated Statement of Total Recognised Gains and Losses, the Consolidated and Company Balance Sheets, 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 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 (APB'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 Financial Reporting Council's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2013 and of the group's 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 Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.





## Independent Auditor's Report to the Members of Arri (GB) Limited

### **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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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

*Perry Burton*

Perry Burton (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

Reading

Date *22/4/14*

## Consolidated Profit and Loss Account

For the year ended 31 December 2013

|  | Note | 2013<br>£000      | 2012<br>£000   |
|--|------|-------------------|----------------|
| <b>Turnover</b>                                      | 1,2  | <b>16,906</b>     | 19,189         |
| Cost of sales  |      | <u>(9,587)</u>    | <u>(9,285)</u> |
| <b>Gross profit</b>                                  |      | <b>7,319</b>      | 9,904          |
| Distribution costs                                   |      | <b>(3,139)</b>    | (3,731)        |
| Administrative expenses                              |      | <b>(3,921)</b>    | (3,403)        |
| Other operating income                               | 3    | <u>1,289</u>      | <u>1,707</u>   |
| <b>Operating profit</b>                              | 4    | <b>1,548</b>      | 4,477          |
| Interest receivable and similar income               |      | <b>13</b>         | 21             |
| Interest payable and similar charges                 | 7    | <b>(238)</b>      | (330)          |
| Other finance income                                 | 8    | <u>(21)</u>       | <u>(76)</u>    |
| <b>Profit on ordinary activities before taxation</b> |      | <b>1,302</b>      | 4,092          |
| Tax on profit on ordinary activities                 | 9    | <u>(333)</u>      | <u>(1,563)</u> |
| <b>Profit for the financial year</b>                 | 19   | <u><b>969</b></u> | <u>2,529</u>   |

All amounts relate to continuing operations

The notes on pages 13 to 30 form part of these financial statements

## Consolidated Statement of Total Recognised Gains and Losses

For the year ended 31 December 2013

|   | Note | 2013<br>£000 | 2012<br>£000 |
|---|------|--------------|--------------|
| <b>Profit for the financial year</b>                          |      | <b>969</b>   | <b>2,529</b> |
| Actuarial gain related to pension scheme                      | 21   | 529          | (340)        |
| Deferred tax attributable to actuarial gain                   | 21   | (126)        | 78           |
|   |      | <hr/>        | <hr/>        |
| <b>Total recognised gains and losses relating to the year</b> |      | <b>1,372</b> | <b>2,267</b> |
|   |      | <hr/>        | <hr/>        |

The notes on pages 13 to 30 form part of these financial statements

## Consolidated Balance Sheet

As at 31 December 2013

|   | Note | £000         | 2013<br>£000         | £000          | 2012<br>£000         |
|---|------|--------------|----------------------|---------------|----------------------|
| <b>Fixed assets</b>   |      |              |                      |               |                      |
| Tangible assets   | 10   |              | 23,895               |               | 25,331               |
| <b>Current assets</b>   |      |              |                      |               |                      |
| Stocks  | 12   | 1,250        |                      | 1,286         |                      |
| Debtors   | 13   | 4,312        |                      | 3,858         |                      |
| Cash at bank  |      | 2,311        |                      | 5,783         |                      |
|   |      | <u>7,873</u> |                      | <u>10,927</u> |                      |
| <b>Creditors</b> amounts falling due within one year          | 14   | (5,416)      |                      | (6,408)       |                      |
| <b>Net current assets</b>                                     |      |              | <u>2,457</u>         |               | <u>4,519</u>         |
| <b>Total assets less current liabilities</b>                  |      |              | <u>26,352</u>        |               | <u>29,850</u>        |
| <b>Creditors</b> amounts falling due after more than one year | 15   |              | (4,685)              |               | (5,206)              |
| <b>Provisions for liabilities</b>                             |      |              |                      |               |                      |
| Deferred tax  | 16   | (268)        |                      | (262)         |                      |
| Other provisions  | 17   | (85)         |                      | (85)          |                      |
|   |      | <u></u>      | <u>(353)</u>         | <u></u>       | <u>(347)</u>         |
| <b>Net assets excluding pension scheme liabilities</b>        |      |              | <u>21,314</u>        |               | <u>24,297</u>        |
| Defined benefit pension scheme liability                      | 21   |              | (3,204)              |               | (4,226)              |
| <b>Net assets including pension scheme liabilities</b>        |      |              | <u><u>18,110</u></u> |               | <u><u>20,071</u></u> |

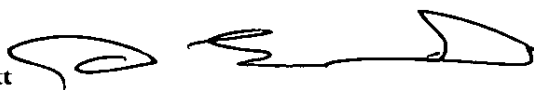
## Consolidated Balance Sheet (continued)

As at 31 December 2013

|                             | Note | £000 | 2013<br>£000  | £000 | 2012<br>£000  |
|-----------------------------|------|------|---------------|------|---------------|
| <b>Capital and reserves</b> |      |      |               |      |               |
| Called up share capital     | 18   |      | 2,000         |      | 2,000         |
| Other reserves              | 19   |      | 70            |      | 70            |
| Profit and loss account     | 19   |      | 16,040        |      | 18,001        |
| <b>Shareholders' funds</b>  |      |      | <b>18,110</b> |      | <b>20,071</b> |

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

DJF Eventt  
Director



Date 16 APR 2014

The notes on pages 13 to 30 form part of these financial statements

## Company Balance Sheet

As at 31 December 2013

|  | Note | £000         | 2013<br>£000         | £000          | 2012<br>£000         |
|--|------|--------------|----------------------|---------------|----------------------|
| <b>Fixed assets</b>  |      |              |                      |               |                      |
| Tangible assets  | 10   |              | 12,444               |               | 12,566               |
| Investments  | 11   |              | 3,397                |               | 3,406                |
|  |      |              | <u>15,841</u>        |               | <u>15,972</u>        |
| <b>Current assets</b>  |      |              |                      |               |                      |
| Debtors amounts falling due after more than one year           | 13   | 2,453        |                      | 2,345         |                      |
| Debtors amounts falling due within one year                    | 13   | 2,117        |                      | 2,107         |                      |
| Cash at bank   |      | 2,012        |                      | 5,580         |                      |
|  |      | <u>6,582</u> |                      | <u>10,032</u> |                      |
| <b>Creditors: amounts falling due within one year</b>          | 14   | (987)        |                      | (882)         |                      |
| <b>Net current assets</b>                                      |      |              | <u>5,595</u>         |               | <u>9,150</u>         |
| <b>Total assets less current liabilities</b>                   |      |              | <u>21,436</u>        |               | <u>25,122</u>        |
| <b>Creditors, amounts falling due after more than one year</b> | 15   |              | (4,361)              |               | (4,861)              |
| <b>Provisions for liabilities</b>                              |      |              |                      |               |                      |
| Deferred tax   | 16   | (279)        |                      | (273)         |                      |
| Other provisions   | 17   | (85)         |                      | (85)          |                      |
|  |      |              | <u>(364)</u>         |               | <u>(358)</u>         |
| <b>Net assets excluding pension scheme liabilities</b>         |      |              | <u>16,711</u>        |               | <u>19,903</u>        |
| Defined benefit pension scheme liability                       | 21   |              | (3,204)              |               | (4,226)              |
| <b>Net assets including pension scheme liabilities</b>         |      |              | <u><u>13,507</u></u> |               | <u><u>15,677</u></u> |

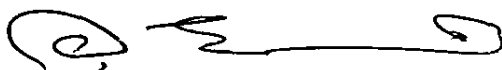
## Company Balance Sheet (continued)

As at 31 December 2013

|                             | Note | £000 | 2013<br>£000  | £000 | 2012<br>£000  |
|-----------------------------|------|------|---------------|------|---------------|
| <b>Capital and Reserves</b> |      |      |               |      |               |
| Called up share capital     | 18   |      | 2,000         |      | 2,000         |
| Profit and loss account     | 19   |      | 11,507        |      | 13,677        |
| <b>Shareholders' funds</b>  |      |      | <u>13,507</u> |      | <u>15,677</u> |

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

DJF Everitt  
Director



Date 16 APR 2014

The notes on pages 13 to 30 form part of these financial statements

# Notes to the Financial Statements

For the year ended 31 December 2013

## **1. Accounting Policies**

### **1.1 Basis of accounting**

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards. The principal accounting policies for the Group and Company are set out below. The accounting policies remain unchanged from previous years and the directors consider them to be the most appropriate.

### **1.2 Basis of consolidation**

The financial statements consolidate the accounts of Arri (GB) Limited and all of its subsidiary undertakings ('subsidiaries').

The results of subsidiaries disposed of are included up to the effective date of disposal.

The company has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Profit and loss account.

The profit and loss account for the year dealt with in the accounts of the company was £760,000 (2012 - £448,000).

### **1.3 Going concern**

Having reviewed budgets, cashflow forecasts, pipeline of contracted work, and availability of working capital, the directors believe that the group is well placed to manage its business risks successfully, and have formed the judgment that the group has adequate resources to continue as a going concern for at least 12 months from the date of signing of these financial statements. On this basis, the directors consider that it is appropriate to continue to adopt the going concern basis in the preparation of the consolidated financial statements.

### **1.4 Cash flow**

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1 'Cash Flow Statements'.

### **1.5 Turnover**

Turnover represents the invoiced amount of camera and lighting equipment sold and rental of camera and lighting equipment to customers, net of value added tax and trade discounts. Turnover on sale of camera and lighting equipment is recognised in the profit and loss account on dispatch of goods. Rental income is recognised in the profit and loss account on a straight-line basis over the term of the rental period.



# Notes to the Financial Statements

For the year ended 31 December 2013

## 1. Accounting Policies (continued)

### 1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

|                               |   |   |
|-------------------------------|---|---|
| Freehold property             | - | 2% on a straight line basis                           |
| Short-term leasehold property | - | evenly over the term of lease or useful economic life |
| Plant & machinery             | - | 3 to 8 years straight line                            |
| Motor vehicles                | - | 5 years straight line                                 |
| Fixtures & fittings           | - | 8 years straight line                                 |
| Office equipment              | - | 5 years straight line                                 |
| Computer equipment            | - | 3 years straight line                                 |
| Freehold land                 | - | No depreciation is provided on freehold land          |

### 1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

### 1.8 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

### 1.9 Leased assets

Where assets are financed by leasing agreements that give right approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amount payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components. The interest element of the payment is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital payments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

# Notes to the Financial Statements

For the year ended 31 December 2013

## 1. Accounting Policies (continued)

### 1 10 Post retirement benefits

The Group operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Group. Pension scheme assets are measured using market values. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. The pension scheme surplus (to the extent that it is recoverable) or deficit is recognised in full. The movement in the scheme surplus/deficit is split between operating charges, finance items and in the statement of total recognised gains and losses, actuarial gains and losses.

The Group also operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

### 1 11 Deferred taxation

Deferred tax 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 the date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception.

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 difference reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### 1 12 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

### 1 13 Operating leases

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

# Notes to the Financial Statements

For the year ended 31 December 2013

## 1. Accounting Policies (continued)

### 1.14 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

# Notes to the Financial Statements

For the year ended 31 December 2013

## 2. Turnover

An analysis of turnover by class of business is as follows

|  | 2013<br>£000  | 2012<br>£000  |
|--|---------------|---------------|
| Sale of photographic, lighting and accessories | -             | 16            |
| Leasing and rental of equipment                | 16,906        | 19,173        |
|  | <u>16,906</u> | <u>19,189</u> |

A geographical analysis of turnover is as follows

|                        | 2013<br>£000  | 2012<br>£000  |
|------------------------|---------------|---------------|
| United Kingdom         | 12,700        | 15,363        |
| Rest of European Union | 2,941         | 2,883         |
| Rest of the world      | 1,265         | 943           |
|                        | <u>16,906</u> | <u>19,189</u> |

## 3. Other operating income

|                                     | 2013<br>£000 | 2012<br>£000 |
|-------------------------------------|--------------|--------------|
| Management recharges                | 1,124        | 1,367        |
| Net gain on disposal of investments | 15           | -            |
| Insurance proceeds received         | -            | 318          |
| Amounts recovered from cheque fraud | 150          | -            |
| Exchange gain                       | -            | 22           |
|                                     | <u>1,289</u> | <u>1,707</u> |

## 4. Operating profit

The operating profit is stated after charging/(crediting)

|                                       | 2013<br>£000 | 2012<br>£000 |
|---------------------------------------|--------------|--------------|
| Depreciation of tangible fixed assets |              |              |
| - owned by the group                  | 4,150        | 3,333        |
| - held under bank loans               | 649          | 1,322        |
| Auditor's remuneration                | 53           | 53           |
| Operating lease rentals               |              |              |
| - plant and machinery                 | 649          | 649          |
| Difference on foreign exchange        | (13)         | (44)         |
| Profit on disposal of fixed assets    | (590)        | (767)        |
|                                       | <u></u>      | <u></u>      |

# Notes to the Financial Statements

For the year ended 31 December 2013

## 5. Staff costs

Staff costs, including directors' remuneration, were as follows

|                               | 2013<br>£000 | 2012<br>£000 |
|-------------------------------|--------------|--------------|
| Wages and salaries            | 4,031        | 3,987        |
| Social security costs         | 355          | 382          |
| Other pension costs (Note 21) | 79           | 187          |
|                               | <u>4,465</u> | <u>4,556</u> |

The average monthly number of employees, including the directors, during the year was as follows

|                            | 2013<br>No. | 2012<br>No. |
|----------------------------|-------------|-------------|
| Office and management      | 27          | 25          |
| Sales                      | 31          | 30          |
| Service                    | 49          | 49          |
| Electricians and warehouse | 13          | 14          |
|                            | <u>120</u>  | <u>118</u>  |

## 6. Directors' remuneration

|  | 2013<br>£000 | 2012<br>£000 |
|--|--------------|--------------|
| Remuneration   | <u>367</u>   | <u>363</u>   |
| Amounts receivable under long-term incentive schemes | <u>35</u>    | <u>40</u>    |

During the year retirement benefits were accruing to 1 director (2012 - 1) in respect of defined benefit pension schemes

The highest paid director received remuneration of £170,000 (2012 - £164,000)

## 7. Interest payable

|                              | 2013<br>£000 | 2012<br>£000 |
|------------------------------|--------------|--------------|
| On bank loans and overdrafts | <u>238</u>   | <u>330</u>   |

# Notes to the Financial Statements

For the year ended 31 December 2013

## 8. Other finance income

|  | 2013<br>£000 | 2012<br>£000 |
|--|--------------|--------------|
| Expected return on pension scheme assets | 756          | 704          |
| Interest on pension scheme liabilities   | (777)        | (780)        |
|  | <u>(21)</u>  | <u>(76)</u>  |

## 9. Taxation

|  | 2013<br>£000 | 2012<br>£000 |
|--|--------------|--------------|
| <b>Analysis of tax charge in the year</b>                    |              |              |
| <b>Current tax</b> (see note below)                          |              |              |
| UK corporation tax charge on profit for the year             | 205          | 934          |
| Adjustments in respect of prior periods                      | (62)         | 110          |
| <b>Total current tax</b>                                     | <u>143</u>   | <u>1,044</u> |
| <b>Deferred tax</b>  |              |              |
| Origination and reversal of timing differences               | 190          | 239          |
| Movement in opening balance due to change in the rate of tax | -            | 280          |
| <b>Total deferred tax</b> (see note 16)                      | <u>190</u>   | <u>519</u>   |
| <b>Tax on profit on ordinary activities</b>                  | <u>333</u>   | <u>1,563</u> |

# Notes to the Financial Statements

For the year ended 31 December 2013

## 9. Taxation (continued)

### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 - higher than) the standard rate of corporation tax in the UK of 23.25% (2012 - 24.49%). The differences are explained below

|  | 2013<br>£000 | 2012<br>£000 |
|--|--------------|--------------|
| Profit on ordinary activities before tax   | <u>1,302</u> | <u>4,092</u> |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012 - 24.49%) | 303          | 1,002        |
| <b>Effects of</b>  |              |              |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment                        | (17)         | 58           |
| Capital allowances for year in excess of depreciation  | 112          | 67           |
| Adjustments to tax charge in respect of prior periods  | (62)         | 110          |
| Other timing differences leading to an increase (decrease) in taxation   | (193)        | (193)        |
| <b>Current tax charge for the year (see note above)</b>  | <u>143</u>   | <u>1,044</u> |

## Notes to the Financial Statements

For the year ended 31 December 2013

**10. Tangible fixed assets**

| Group                 | Freehold<br>property<br>£000 | Short-term<br>leasehold<br>property<br>£000 | Plant &<br>machinery<br>£000 | Motor<br>vehicles<br>£000 | Fixtures &<br>fittings<br>£000 | Total<br>£000 |
|-----------------------|------------------------------|---|------------------------------|---------------------------|--------------------------------|---------------|
| <b>Cost</b>           |                              |   |                              |                           |                                |               |
| At 1 January 2013     | 14,200                       | 462   | 64,128                       | 589                       | 2,782                          | 82,161        |
| Additions             | -                            | 32  | 3,459                        | 51                        | 154                            | 3,696         |
| Disposals             | -                            | -   | (3,757)                      | (58)                      | -                              | (3,815)       |
| At 31 December 2013   | 14,200                       | 494   | 63,830                       | 582                       | 2,936                          | 82,042        |
| <b>Depreciation</b>   |                              |   |                              |                           |                                |               |
| At 1 January 2013     | 1,844                        | 299   | 51,760                       | 572                       | 2,355                          | 56,830        |
| Charge for the year   | 179                          | 23  | 4,460                        | 11                        | 126                            | 4,799         |
| On disposals          | -                            | -   | (3,426)                      | (56)                      | -                              | (3,482)       |
| At 31 December 2013   | 2,023                        | 322   | 52,794                       | 527                       | 2,481                          | 58,147        |
| <b>Net book value</b> |                              |   |                              |                           |                                |               |
| At 31 December 2013   | 12,177                       | 172   | 11,036                       | 55                        | 455                            | 23,895        |
| At 31 December 2012   | 12,356                       | 163   | 12,368                       | 17                        | 427                            | 25,331        |

The net book value of plant and machinery relating to assets over which a charge is held for security of bank debt, included above, are as follows

| Group               | 2013<br>£000 | 2012<br>£000 |
|---------------------|--------------|--------------|
| Plant and machinery | 1,520,267    | 2,744,930    |



## Notes to the Financial Statements

For the year ended 31 December 2013

| Company               | Freehold<br>property<br>£000 | Short-term<br>leasehold<br>property<br>£000 | Plant &<br>machinery<br>£000 | Motor<br>vehicles<br>£000 | Fixtures &<br>fittings<br>£000 | Total<br>£000 |
|-----------------------|------------------------------|---|------------------------------|---------------------------|--------------------------------|---------------|
| <b>Cost</b>           |                              |   |                              |                           |                                |               |
| At 1 January 2013     | 14,201                       | 172   | 451                          | -                         | 1,194                          | 16,018        |
| Additions             | -                            | -   | 4                            | 32                        | 113                            | 149           |
| At 31 December 2013   | 14,201                       | 172   | 455                          | 32                        | 1,307                          | 16,167        |
| <b>Depreciation</b>   |                              |   |                              |                           |                                |               |
| At 1 January 2013     | 1,839                        | 172   | 435                          | -                         | 1,006                          | 3,452         |
| Charge for the year   | 179                          | -   | 4                            | 3                         | 85                             | 271           |
| At 31 December 2013   | 2,018                        | 172   | 439                          | 3                         | 1,091                          | 3,723         |
| <b>Net book value</b> |                              |   |                              |                           |                                |               |
| At 31 December 2013   | 12,183                       | -   | 16                           | 29                        | 216                            | 12,444        |
| At 31 December 2012   | 12,362                       | -   | 16                           | -                         | 188                            | 12,566        |

**11. Fixed asset investments****Subsidiary undertakings**

The following were subsidiary undertakings of the company

| Name                         | Class of shares | Holding |
|------------------------------|-----------------|---------|
| Media Film Service Limited   | Ordinary shares | 100%    |
| Arri Lighting Rental Limited | Ordinary shares | 100%    |
| Arri (NI) Limited            | Ordinary shares | 100%    |
| Arri Ireland Limited         | Ordinary shares | 100%    |
| Arri (I O M) Limited         | Ordinary shares | 100%    |

| Name                         | Business          | Country          |
|------------------------------|-------------------|------------------|
| Media Film Service Limited   | Hire of equipment | England          |
| Arri Lighting Rental Limited | Hire of equipment | England          |
| Arri (NI) Limited            | Hire of equipment | Northern Ireland |
| Arri Ireland Limited         | Hire of equipment | Ireland          |
| Arri (I O M) Limited         | Hire of equipment | Isle of Man      |

# Notes to the Financial Statements

For the year ended 31 December 2013

## 11. Fixed asset investments (continued)

| Company             | Investments<br>in subsidiary<br>companies<br>£000 | Loans to<br>subsidiaries<br>£000 | Total<br>£000 |
|---------------------|---|----------------------------------|---------------|
| Cost or valuation   |   |                                  |               |
| At 1 January 2013   | 2,475   | 931                              | 3,406         |
| Disposals           | (9)   | -                                | (9)           |
| At 31 December 2013 | 2,466   | 931                              | 3,397         |
| Net book value      |   |                                  |               |
| At 31 December 2013 | 2,466   | 931                              | 3,397         |
| At 31 December 2012 | 2,475   | 931                              | 3,406         |

## 12. Stocks

|                                     | 2013<br>£000 | Group<br>2012<br>£000 | 2013<br>£000 | Company<br>2012<br>£000 |
|-------------------------------------|--------------|-----------------------|--------------|-------------------------|
| Finished goods and goods for resale | 1,250        | 1,286                 | -            | -                       |

## 13. Debtors

|   | 2013<br>£000 | Group<br>2012<br>£000 | 2013<br>£000 | Company<br>2012<br>£000 |
|---|--------------|-----------------------|--------------|-------------------------|
| Due after more than one year                  |              |                       |              |                         |
| Amounts owed by group undertakings            | -            | -                     | 2,453        | 2,345                   |
| Due within one year                           |              |                       |              |                         |
| Trade debtors                                 | 2,603        | 2,052                 | -            | 28                      |
| Amounts owed by group undertakings            | 304          | 249                   | 1,072        | 1,078                   |
| Other debtors, prepayments and accrued income | 68           | 830                   | 51           | 274                     |
| Prepayments and accrued income                | 607          | -                     | 264          | -                       |
| Tax recoverable                               | 730          | 627                   | 730          | 627                     |
| Social security and other taxes recoverable   | -            | 100                   | -            | 100                     |
|   | 4,312        | 3,858                 | 2,117        | 2,107                   |

## Notes to the Financial Statements

For the year ended 31 December 2013

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

|  | <b>Group</b> |              | <b>Company</b> |             |
|--|--------------|--------------|----------------|-------------|
|  | <b>2013</b>  | <b>2012</b>  | <b>2013</b>    | <b>2012</b> |
|  | <b>£000</b>  | <b>£000</b>  | <b>£000</b>    | <b>£000</b> |
| Bank loans and overdrafts, including loans in respect of asset financing | 840          | 1,940        | 503            | 500         |
| Trade creditors  | 1,650        | 1,153        | 287            | 139         |
| Amounts owed to group undertakings                                       | 254          | 143          | 13             | 24          |
| Corporation tax  | 582          | 1,254        | -              | -           |
| Other taxation and social security                                       | 517          | 588          | -              | -           |
| Other creditors  | 10           | 8            | -              | -           |
| Accruals and deferred income   | 1,563        | 1,322        | 184            | 219         |
|  | <b>5,416</b> | <b>6,408</b> | <b>987</b>     | <b>882</b>  |

**15. Creditors:**  
**Amounts falling due after more than one year**

|   | <b>Group</b> |              | <b>Company</b> |              |
|---|--------------|--------------|----------------|--------------|
|   | <b>2013</b>  | <b>2012</b>  | <b>2013</b>    | <b>2012</b>  |
|   | <b>£000</b>  | <b>£000</b>  | <b>£000</b>    | <b>£000</b>  |
| Bank loans and overdraft, including loans in respect of asset financing | 4,361        | 4,904        | 4,361          | 4,861        |
| Amounts owed to group undertakings                                      | 324          | 302          | -              | -            |
|   | <b>4,685</b> | <b>5,206</b> | <b>4,361</b>   | <b>4,861</b> |

The bank loans are secured on the Group's land and buildings and plant and machinery and are repayable installments by 2014. Interest is charged at 0.75% over the Bank and England base rate.

Included within the above are amounts falling due as follows

|                                   | <b>Group</b> |             | <b>Company</b> |             |
|-----------------------------------|--------------|-------------|----------------|-------------|
|                                   | <b>2013</b>  | <b>2012</b> | <b>2013</b>    | <b>2012</b> |
|                                   | <b>£000</b>  | <b>£000</b> | <b>£000</b>    | <b>£000</b> |
| <b>Between one and two years</b>  |              |             |                |             |
| Bank loans                        | 500          | 543         | 500            | 500         |
| <b>Between two and five years</b> |              |             |                |             |
| Bank loans                        | 1,500        | 1,500       | 1,500          | 1,500       |
| <b>Over five years</b>            |              |             |                |             |
| Bank loans                        | 2,361        | 2,861       | 2,361          | 2,861       |

## Notes to the Financial Statements

For the year ended 31 December 2013

**15. Creditors:****Amounts falling due after more than one year (continued)**

Creditors include amounts not wholly repayable within 5 years as follows

|                          | <b>Group</b> |              | <b>Company</b> |              |
|--------------------------|--------------|--------------|----------------|--------------|
|                          | <b>2013</b>  | <b>2012</b>  | <b>2013</b>    | <b>2012</b>  |
|                          | <b>£000</b>  | <b>£000</b>  | <b>£000</b>    | <b>£000</b>  |
| Repayable by instalments | <b>2,361</b> | <b>2,861</b> | <b>2,361</b>   | <b>2,861</b> |

The obligations under the bank loans are secured on the related assets

**16. Deferred taxation**

|                                       | <b>Group</b> |             | <b>Company</b> |             |
|---------------------------------------|--------------|-------------|----------------|-------------|
|                                       | <b>2013</b>  | <b>2012</b> | <b>2013</b>    | <b>2012</b> |
|                                       | <b>£000</b>  | <b>£000</b> | <b>£000</b>    | <b>£000</b> |
| At beginning of year                  | <b>262</b>   | <b>253</b>  | <b>273</b>     | <b>297</b>  |
| Charge for/(released during) the year | <b>6</b>     | <b>9</b>    | <b>6</b>       | <b>(24)</b> |
| At end of year                        | <b>268</b>   | <b>262</b>  | <b>279</b>     | <b>273</b>  |

The provision for deferred taxation is made up as follows

|                                | <b>Group</b> |             | <b>Company</b> |             |
|--------------------------------|--------------|-------------|----------------|-------------|
|                                | <b>2013</b>  | <b>2012</b> | <b>2013</b>    | <b>2012</b> |
|                                | <b>£000</b>  | <b>£000</b> | <b>£000</b>    | <b>£000</b> |
| Accelerated capital allowances | <b>268</b>   | <b>262</b>  | <b>279</b>     | <b>273</b>  |

**17. Provisions**

|  | <b>Onerous<br/>lease<br/>provisions<br/>£000</b> |
|--|--|
| <b>Group</b>                           |  |
| At 1 January 2013 and 31 December 2013 | <b>85</b>  |

## Notes to the Financial Statements

For the year ended 31 December 2013

|  | Onerous<br>lease<br>provision<br>£000 |
|--|---------------------------------------|
| <b>Company</b>                         |                                       |
| At 1 January 2013 and 31 December 2013 | <u>85</u>                             |

**Onerous lease provision**

The onerous lease provision for the Company and the Group consists of amounts provided in respect of vacant leasehold properties. Provision has been made for the lease payments due up to the point at which the property is expected to be let on a full market rent.

**18. Share capital**

|   | 2013<br>£000 | 2012<br>£000 |
|---|--------------|--------------|
| <b>Authorised</b>                         |              |              |
| 5,000,000 Ordinary shares of £1 each      | <u>5,000</u> | <u>5,000</u> |
| <b>Allotted, called up and fully paid</b> |              |              |
| 2,000,000 Ordinary shares of £1 each      | <u>2,000</u> | <u>2,000</u> |

**19. Reserves**

|  | Other<br>reserves<br>£000 | Profit and<br>loss account<br>£000 |
|--|---------------------------|------------------------------------|
| <b>Group</b>   |                           |                                    |
| At 1 January 2013  | 70                        | 18,001                             |
| Profit for the financial year  | -                         | 969                                |
| Dividends Equity capital   | -                         | (3,333)                            |
| Actuarial loss on defined benefit pension scheme (net of deferred tax) | -                         | 403                                |
| At 31 December 2013  | <u>70</u>                 | <u>16,040</u>                      |
| <b>Company</b>   |                           |                                    |
| At 1 January 2013  |                           | 13,677                             |
| Profit for the financial year  |                           | 760                                |
| Dividends Equity capital   |                           | (3,333)                            |
| Actuarial loss on defined benefit pension scheme (net of deferred tax) |                           | 403                                |
| At 31 December 2013  |                           | <u>11,507</u>                      |

The closing balance on the Profit and loss account includes a £3,204,000 (2012 - £4,225,000) debit, stated after deferred taxation of £956,000 (2012 - £1,263,000), in respect of pension scheme liabilities of the Group and Company pension scheme.

# Notes to the Financial Statements

For the year ended 31 December 2013

## 20. Dividends

|                                  | 2013<br>£000 | 2012<br>£000 |
|----------------------------------|--------------|--------------|
| Dividends paid on equity capital | 3,333        | -            |

## 21. Pension commitments

The Group operates both a defined benefit scheme and a defined contribution scheme. A defined contribution scheme is operated on behalf of certain employees. The assets are held separately from those of the Group in an independently administered fund. The pension charge represents contributions paid by the Group to the fund and amounted to £820,000 (2012 £1,000,000). No contributions were payable to the fund at the year end.

The major scheme is a defined benefit scheme which provides benefits based upon final pensionable pay and was established under an irrevocable Deed of Trust by Arri (GB) Limited for its employees and those of subsidiary undertakings. The scheme is managed by a corporate trustee accountable to the pension scheme members.

The pension cost relating to this scheme is assessed every three years in accordance with the advice of a qualified actuary using the projected unit method. The most recent actuarial valuation, at 1 January 2012, indicated that, on the basis of service to date and current salaries, the scheme's assets were sufficient to only meet 50% of its liabilities. Since the valuation date, the Group has agreed to make annual payments over eight years starting at £540,000 for the first year and increasing by £35,000 for each of six years thereafter and then the remaining £750,000 in the eighth year to fund the shortfall. All Scheme expenses will be met by the Group directly. The scheme was closed to future accruals on 10 December 2009.

The valuation was updated by Barnett Waddingham LLP as at 31 December 2013.

The amounts recognised in the Balance sheet are as follows:

|                                     | 2013<br>£000 | 2012<br>£000 |
|-------------------------------------|--------------|--------------|
| Present value of funded obligations | (18,309)     | (17,414)     |
| Fair value of scheme assets         | 14,149       | 11,926       |
| Deficit in scheme                   | (4,160)      | (5,488)      |
| Related deferred tax asset          | 956          | 1,262        |
| Net liability                       | (3,204)      | (4,226)      |

The assets do not include any investments in shares of the Group.

# Notes to the Financial Statements

For the year ended 31 December 2013

## 21. Pension commitments (continued)

The amounts recognised in profit or loss are as follows

|                                  | 2013<br>£000 | 2012<br>£000 |
|----------------------------------|--------------|--------------|
| Interest on obligation           | (777)        | (780)        |
| Expected return on scheme assets | 756          | 704          |
| Total                            | (21)         | (76)         |

Movements in the present value of the defined benefit obligation were as follows

|                                    | 2013<br>£000 | 2012<br>£000 |
|------------------------------------|--------------|--------------|
| Opening defined benefit obligation | 17,414       | 16,632       |
| Interest cost                      | 777          | 780          |
| Actuarial losses                   | 396          | 777          |
| Benefits paid                      | (278)        | (775)        |
| Closing defined benefit obligation | 18,309       | 17,414       |

The actual return on scheme assets (net of expenses) in the year was £1,681,000

The expected return on assets is a weighted average of the assumed long term returns for the various asset classes. Equity and property returns are developed based on the selection of an appropriate risk premium above the risk free rate which is measured in accordance with the yield on government bonds. Bond returns are selected by reference to the yields on government and corporate debt as appropriate to the Scheme's holdings of these instruments.

Changes in the fair value of scheme assets were as follows

|                                     | 2013<br>£000 | 2012<br>£000 |
|-------------------------------------|--------------|--------------|
| Opening fair value of scheme assets | 11,926       | 10,560       |
| Expected return on assets           | 756          | 704          |
| Actuarial gains                     | 925          | 437          |
| Contributions by employer           | 820          | 1,000        |
| Benefits paid                       | (278)        | (775)        |
|                                     | 14,149       | 11,926       |

## Notes to the Financial Statements

For the year ended 31 December 2013

**21. Pension commitments (continued)**

The major categories of scheme assets as a percentage of total scheme assets are as follows

|   | 2013    | 2012    |
|---|---------|---------|
| European equities                       | 63.00 % | 69.00 % |
| Diversified growth funds                | 9.00 %  | - %     |
| Corporate bonds                         | 14.00 % | 14.00 % |
| Gilts                                   | 9.00 %  | 9.00 %  |
| Annuities held in respect of pensioners | 5.00 %  | 5.00 %  |
| Cash                                    | 1.00 %  | 3.00 %  |

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages)

|   | 2013   | 2012   |
|---|--------|--------|
| Discount rate at 31 December                            | 4.60 % | 4.50 % |
| Inflation assumption                                    | 3.70 % | 3.10 % |
| RPI max 5% pension increases                            | 3.70 % | 3.10 % |
| RPI max 2.5% pension increases                          | 2.45 % | 2.35 % |
| Revaluation in deferment (post 1 November 2006 pension) | 3.70 % | 3.10 % |

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice

Under the adopted mortality tables, the future life expectancy at age 65 is as follows

| Life expectancy at age 65 | 2013 | 2012 |
|---------------------------|------|------|
| Male currently aged 65    | 22.4 | 22.6 |
| Women currently aged 65   | 24.7 | 24.7 |

Amounts for the current and previous four periods are as follows

Defined benefit pension schemes

|  | 2013<br>£000 | 2012<br>£000 | 2011<br>£000 | 2010<br>£000 | 2009<br>£000 |
|--|--------------|--------------|--------------|--------------|--------------|
| Defined benefit obligation                   | (18,309)     | (17,414)     | (16,632)     | (14,209)     | (14,100)     |
| Scheme assets                                | 14,149       | 11,926       | 10,560       | 10,944       | 10,170       |
| Deficit                                      | (4,160)      | (5,488)      | (6,072)      | (3,265)      | (3,930)      |
| Experience adjustments on scheme liabilities | (396)        | (777)        | (12)         | 342          | (363)        |
| Experience adjustments on scheme assets      | 925          | 437          | (688)        | 606          | 1,273        |



## Notes to the Financial Statements

For the year ended 31 December 2013

**22. Operating lease commitments**

At 31 December 2013 the group had annual commitments under non-cancellable operating leases as follows

| Group                   | Land and buildings |              | 2013<br>£000 | Other<br>2012<br>£000 |
|-------------------------|--------------------|--------------|--------------|-----------------------|
|                         | 2013<br>£000       | 2012<br>£000 |              |                       |
| Expiry date:            |                    |              |              |                       |
| Within 1 year           | 32                 | 32           | 39           | 14                    |
| Between 2 and 5 years   | -                  | -            | 563          | 570                   |
| After more than 5 years | -                  | -            | -            | 28                    |

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as follows

| Company                 | Land and buildings |              | 2013<br>£000 | Other<br>2012<br>£000 |
|-------------------------|--------------------|--------------|--------------|-----------------------|
|                         | 2013<br>£000       | 2012<br>£000 |              |                       |
| Expiry date             |                    |              |              |                       |
| Within 1 year           | -                  | -            | 15           | 1                     |
| After more than 5 years | -                  | -            | -            | 15                    |

**23. Related party transactions**

As the Group is a wholly owned subsidiary of Arri AG, the Group has taken advantage of the exemption contained in Financial Reporting Standard No 8 'Related party disclosures' and has therefore not disclosed transactions or balances with entities which form part of the Arri AG Group. The consolidated financial statements of Arri AG, within which this company is included, can be obtained from Turkenstrasse 89, Munchen, Germany D-80799

**24. Ultimate parent undertaking and controlling party**

Arri AG, incorporated in Germany, is the immediate parent company and in the opinion of the directors, the ultimate controlling party

The largest and smallest Group in which the results of the company are consolidated is that headed by Arri AG, incorporated in Germany. The accounts may be obtained from 2 Highbridge, Oxford Road, Uxbridge, Middlesex, UB8 1LX