

# **Deluxe Digital London Limited**

## **Report and Financial Statements**

31 December 2012

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30/09/2013

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COMPANIES HOUSE

**Directors**

K W Biggins

M J Doughty

**Secretary**

C E Catterall

**Auditors**

Ernst & Young LLP

1 More London Place

London SE1 2AF

**Bankers**

NatWest Bank

Berkeley Square

London W1J 6BR

**Solicitors**

Berwin Leighton Paisner LLP

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North Orbital Road

Denham, Uxbridge

Middlesex UB9 5HQ

Registered No 1535111

## **Directors' report**

The directors present their report and financial statements for the year ended 31 December 2012

### **Results and dividends**

The profit for the year after taxation amounted to £13,044,000 (2011 – £7,746,000) The directors do not recommend a final dividend (2011 – £nil)

### **Principal activity and review of the business**

The principal activity of the company is and will continue to be to offer digital, post-production and distribution services to the feature film industry

The company has continued to perform well, maintaining strong relationships with its major customers The rollout of digital cinema continues to increase across Europe and the directors believe the company is well positioned to take advantage of such increase

Turnover on continuing operations has increased 36% compared to 2011, due to the increase in the penetration of digital cinema across Europe and the related increase in activity levels of major customers Although competition in the market place has resulted in pressure on prices, good cost control resulted in a gross margin of 51% compared to 45% in 2011

Profit after tax increased by 68% compared to 2011 This is stated after a loss on exceptional item of £500,000 consisting of an impairment charge against some Whitfield Street plant & machinery Adjusting for this, underlying profit after tax was 75% higher than in the previous year

### **Future developments**

The business continues to develop relationships with key customers and expect the business to grow in line with the expansion of digital cinema across Europe

### **Events since the balance sheet date**

As part of the Deluxe UK group's rationalisation programme, on 1 January 2013 the company's trade, assets and liabilities were transferred to Deluxe 142 Limited at net book value

### **Principal risks and uncertainties**

The risks and uncertainties of the company are integrated with the risks of Deluxe UK Holdings Limited, its intermediate parent undertaking, and are reliant on the activity levels of major contracted customers and UK film production levels

### **Going concern**

The financial position of the company and its exposures to financial and liquidity risks are summarised above

The directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the company to continue as a going concern or its ability to continue with the current banking arrangements Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

### **Directors**

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

K W Biggins  
M J Doughty

## Directors' report (continued)

### Employee involvement

The company recognises that the contribution made by its employees is crucial to the success of each of its businesses. Substantial investment is therefore made in the training, development and motivation of staff with particular attention to ensuring customer satisfaction through the consistent achievement of high standards of service and delivery of quality product incentive schemes to focus employees on the key performance indicators of each business. In addition, communication and consultation programmes exist at site, company and group level.

The company endorses the active application of equal opportunities policies and programmes to provide fair and equitable conditions for all employees regardless of sex, family status, religion, creed, colour, ethnic origin, age, disability or sexual orientation.

### Disclosure of information to the auditors

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

### Research and Development

The company invests in research and development by developing specific software in relation to its core business.

### Auditors

In accordance with Section 485 of the Companies Act 2006, Ernst & Young LLP will continue as auditors of the Company under the terms of an elective resolution passed by the Company.

By order of the Board



C E Catterall  
Secretary

30 September 2013

Date

## Statement of directors' responsibilities

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

Company law requires the directors to prepare 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 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

The directors are responsible for keeping proper 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 Deluxe Digital London Limited**

We have audited the financial statements of Deluxe Digital London Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 24. 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 Statement of directors' responsibilities set out on page 4, 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**

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 directors' report and financial statements 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 the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Independent auditor's report (continued)**

**to the members of Deluxe Digital London 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, 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

A handwritten signature in black ink, appearing to read 'Ernst & Young LLP'.

Paul Gordon (Senior Statutory Auditor)  
For and on behalf of Ernst & Young LLP (Statutory Auditor)  
London

Date 30 September 2013

## Profit and loss account

for the year ended 31 December 2012

	Notes	2012 £000	2011 £000
Turnover	2	35,111	25,800
Cost of sales		<u>(17,212)</u>	<u>(14,115)</u>
<b>Gross profit</b>		17,899	11,685
Administrative expenses			
Before exceptional items	(3,711)	(3,935)	
Impairment of tangible fixed assets	<u>(500)</u>	<u>—</u>	
		<u>(4,211)</u>	<u>(3,935)</u>
<b>Operating profit</b>	3	13,688	7,750
Interest receivable and similar income	6	944	103
Interest payable and similar charges	7	<u>(116)</u>	<u>(107)</u>
<b>Profit on ordinary activities before taxation</b>		14,516	7,746
Tax	8	<u>(1,472)</u>	<u>—</u>
<b>Profit for the financial year</b>	18	<u>13,044</u>	<u>7,746</u>

All amounts relate to continuing activities

## Statement of total recognised gains and losses

for the year ended 31 December 2012

There are no recognised gains or losses other than the profit attributable to the shareholders of the company of £13,044,000 in the year ended 31 December 2012 (2011 – £7,746,000)



# Balance sheet

at 31 December 2012

	Notes	2012 £000	2011 £000
<b>Fixed assets</b>			
Negative goodwill	9	–	(8)
Intangible assets	10	659	554
Tangible assets	11	5,029	5,742
		<u>5,688</u>	<u>6,288</u>
<b>Current assets</b>			
Stocks	12	34	82
Debtors			
Amounts due in less than one year	13	7,561	8,596
Amounts due in more than one year	13	22,275	5,617
Cash at bank and in hand		72	57
		<u>29,942</u>	<u>14,352</u>
<b>Creditors</b> amounts falling due within one year	14	(10,066)	(8,509)
<b>Net current asset</b>		<u>19,876</u>	<u>5,843</u>
<b>Total assets less current liabilities</b>		25,564	12,131
<b>Creditors</b> amounts falling due after more than one year	15	(1,774)	(1,422)
<b>Provisions for liabilities</b>	17	(2,215)	(2,178)
<b>Net assets</b>		<u>21,575</u>	<u>8,531</u>
<b>Capital and reserves</b>			
Called up share capital	18	30	30
Profit and loss account	19	21,545	8,501
<b>Shareholders' funds</b>	19	<u>21,575</u>	<u>8,531</u>

These accounts were approved by the Board of Directors on 30th September 2013



M J Doughty  
Director

## Notes to the financial statements

at 31 December 2012

### 1. Accounting policies

#### *Basis of preparation*

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards

#### *Going concern*

The directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the company to continue as a going concern or its ability to continue with the current banking arrangements. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

#### *Statement of cash flows*

The company has relied on the exemption provided by FRS 1 from preparing its own statement of cash flows as it is a 100% subsidiary of a company that prepares and files publicly available group financial statements

#### *Goodwill*

When the fair value of the consideration for an acquired undertaking exceeds the fair value of its separable net assets, the difference is treated as purchased goodwill and is capitalised and amortised through the profit and loss account over its estimated economic life

Where the fair value of the separable net assets exceeds the fair value of the consideration for an acquired undertaking, the difference is treated as negative goodwill and is capitalised and amortised through the profit and loss account in the period in which the non-monetary assets acquired are recovered. In the case of fixed assets this is the period over which they are depreciated

#### *Intangible fixed assets*

Intangible fixed assets are stated at cost less amortisation, which is provided at 33% per annum on a straight-line basis

Research and Development is contained with the intangible asset with the company capitalizing internal labour under SSAP 13. The costs are amortized over 3 years based on their revenue generation profile

The carrying values of intangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

#### *Research and development*

Under SSAP 13 the company carries forward certain labour costs associated with the development of specific software related to its core business when their future recoverability can be reasonably regarded as assured. The amounts carried forward are included within intangibles fixed assets and amortised in line with the expected future sales from the project, which is assumed to be 3 years

#### *Tangible fixed assets*

Fixed assets are stated at cost. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value based on prices prevailing at the date of acquisition or revaluation, of each asset evenly over its expected useful life, as follows

Plant and machinery – between 12.5% and 33% per annum on a straight-line basis

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

### 1. Accounting policies (continued)

#### *Revenue recognition*

Turnover consists of amounts receivable for the provision of effects, graphics, digital services and associated income stated net of discounts, rebates, VAT and other sales taxes or duty, and is generally recognised as goods are shipped or services rendered

## Notes to the financial statements

at 31 December 2012

### **Stocks**

Stocks include work in progress and are valued at the lower of cost (including an appropriate proportion of overhead) and net realisable value

### **Deferred taxation**

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

### **Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date

All exchange gains and losses arising on the settlement of foreign currency transactions and on the retranslation of monetary assets and liabilities are included in the profit and loss account

### **Operating leases**

Operating lease payments are charged to the profit and loss account as incurred

### **Pensions**

The pension costs relating to the UK defined contribution scheme represent the contributions payable by the company. Payments to all other pension schemes are charged to the profit and loss account in the year to which they relate

### **Provisions for liabilities**

A provision is recognised when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation

## **2. Turnover**

In the opinion of the directors, disclosure of the geographical analysis of turnover would be seriously prejudicial to the interests of the company

## Notes to the financial statements

at 31 December 2012

### 3. Operating profit

This is stated after charging/(crediting)

	2012 £000	2011 £000
Auditors' remuneration – audit services	15	25
Amortisation of intangible fixed assets (note 10)	351	333
Amortisation of negative goodwill (note 9)	(8)	(37)
Depreciation of tangible fixed assets (note 11)	2,175	2,003
Impairment loss on fixed assets (note 11)	500	–
Provision for onerous lease	–	1,086
Foreign exchange loss	2	13
Operating lease rentals – land, buildings and equipment	2,203	1,225

### 4. Directors' remuneration

	2012 £000	2011 £000
Aggregate remuneration in respect of qualifying services	234	74
Company contributions paid to defined contribution pension schemes	14	92
	248	166
Number of directors accruing benefits under defined contribution pension schemes	2	2
	2	2
In respect of the highest paid director		
Aggregate remuneration	127	65
Defined contribution scheme – company contributions paid	8	44

## Notes to the financial statements

at 31 December 2012

### 5. Staff costs

	2012	2011
	£000	£000
Wages and salaries	6,869	6,627
Social security costs	747	721
Other pension costs	245	233
	<u>7,861</u>	<u>7,581</u>

The average monthly number of employees during the year was made up as follows

	No	No
Technical	167	141
Administration	29	29
	<u>196</u>	<u>170</u>

At the year end, the company was a member of a stakeholder pension scheme operated by Deluxe Laboratories Limited, a fellow undertaking, which commenced on 28 January 2007

The pension costs relating to the UK defined contribution scheme represent the contributions payable by the company. There are no outstanding contributions payables at the yearend (2011 Nil)

### 6. Interest receivable and similar income

	2012	2011
	£000	£000
Bank interest receivable	7	5
Interest receivable from parent undertaking	937	98
	<u>944</u>	<u>103</u>

### 7. Interest payable and similar charges

	2012	2011
	£000	£000
Bank interest payable	96	53
Interest payable to parent undertaking	20	54
	<u>116</u>	<u>107</u>

## Notes to the financial statements

at 31 December 2012

### 8. Tax

#### (a) Tax on profit on ordinary activities

The tax charge is made up as follows

	2012 £000	2011 £000
<b>Current tax.</b>		
UK Corporation tax on profit at 24.5% (2011-26.5%)	719	—
Adjustments in respect of prior years	753	—
Total current tax (note 8(b))	1,472	—
<b>Deferred tax:</b>		
Origination and reversal of timing differences (note 8(c))	—	—
Tax on profit on ordinary activities	1,472	—

#### (b) Factors affecting tax charge for the year

	2012 £000	2011 £000
Profit on ordinary activities before tax	14,516	7,746
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5% (2011 – 26.5%)	3,556	2,053
<b>Effects of</b>		
Expenses not deductible for tax purposes	(62)	4
Depreciation in excess /(lower) of capital allowance	41	(91)
Other timing differences	174	172
Utilisation of brought forward losses	—	(147)
Group relief	(2,990)	(1,991)
Prior year adjustment	753	—
Current tax for the year (note 8(a))	1,472	—

#### (c) Deferred tax

The company has not recognised the following deferred tax asset as the directors consider there to be insufficient evidence to support its future recoverability

	2012 £000	2011 £000
Decelerated capital allowances at 23% (2011 - 25%)	767	923
Other timing differences at 23% (2011 - 25%)	510	545
	1,277	1,468

## Notes to the financial statements

at 31 December 2012

### 8. Tax (continued)

(d) Factors that may affect future tax charges

In Budget 2011 on 23 March 2011, the Chancellor of the Exchequer announced a reduction in the UK rate of corporation tax to 26%. This reduced rate applied from 1 April 2011. A further 1% rate reduction to 25% was also announced and it was intended that this would be effective from 1 April 2012.

However, in his budget 2012 on 21 March 2012, the Chancellor of the Exchequer announced a number of changes to the UK Corporation Tax rate. These included a reduction in the UK corporation tax rate from 25% to 24% effective from 1 April 2012 (and substantively enacted as of 26 March 2012), and reduction from 24% to 23% from 1 April 2013 which was substantively enacted on 3 July 2012.

The UK government intended to reduce the UK corporate income tax rate to 22% by 1 April 2014, but the Chancellor announced in his Autumn statement on 5 December 2012 that the main rate of Corporation Tax will be reduced by a further one per cent from 1 April 2014, to 21%.

Furthermore, in his budget 2013 on 21 March 2013, the Chancellor of the Exchequer announced a further reduction to the UK Corporation Tax rate by one per cent from 1 April 2015, to 20%.

Consequently, the company will only recognise the impact of the rate change which is substantively enacted at the balance sheet date in its financial statements.

### 9. Negative goodwill

£000

Cost	
At 1 January 2012 and 31 December 2012	(133)
Amortisation	
At 1 January 2012	125
Charge for the year	8
At 31 December 2012	133
Net book value	
At 31 December 2012	-
At 1 January 2012	(8)

# Notes to the financial statements

at 31 December 2012

## 10. Intangible fixed assets

	<i>Software</i> £000
Cost	
At 1 January 2012	2,166
Additions	456
At 31 December 2012	<u>2,622</u>
Amortisation	
At 1 January 2012	1,612
Charge for the year	351
At 31 December 2012	<u>1,963</u>
Net book value	
At 31 December 2012	<u>659</u>
At 1 January 2012	<u>554</u>

## 11. Tangible fixed assets

	<i>Fixtures and fittings</i> £000	<i>Plant and machinery</i> £000	<i>Total</i> £000
Cost			
At 1 January 2012	1,456	16,432	17,888
Additions	159	1,803	1,962
Disposals	–	(849)	(849)
At 31 December 2012	<u>1,615</u>	<u>17,386</u>	<u>19,001</u>
Depreciation			
At 1 January 2012	1,161	10,985	12,146
Charge for the year	122	2,053	2,175
Impairment loss	–	500	500
Disposals	–	(849)	(849)
At 31 December 2012	<u>1,283</u>	<u>12,689</u>	<u>13,972</u>
Net book value			
At 31 December 2012	<u>332</u>	<u>4,697</u>	<u>5,029</u>
At 1 January 2012	<u>295</u>	<u>5,447</u>	<u>5,742</u>

Included in the amounts for plant and machinery are amounts relating to leased assets with a net book value at 31 December 2012 of £1,242,950 (2011 - £nil)



## Notes to the financial statements

at 31 December 2012

### 12. Stocks

	2012	2011
	£000	£000
Raw materials and consumables	34	82
	<u>34</u>	<u>82</u>

### 13. Debtors

	2012	2011
	£000	£000
Trade debtors	5,494	5,501
Amounts owed by parent undertaking	22,275	5,617
Amounts owed by group undertakings	49	155
Accrued income	1,083	1,222
Other debtors and prepayments	935	1,718
	<u>29,836</u>	<u>14,213</u>

Included within amounts owed by group undertakings are amounts falling due after one year of £22,275,000 (2011 – £5,617,000) This balance is unsecured and incurred interest at 8% (2011 7.25%)

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

	2012	2011
	£000	£000
Current instalments due on bank loans	340	321
Obligations under finance leases (note 16)	527	–
Trade creditors	3,113	1,704
Amounts owed to group undertakings	459	473
Accruals and deferred income	3,688	5,529
Customer Deposits	–	13
Other taxes and social security costs	1,939	909
	<u>10,066</u>	<u>8,949</u>

### 15. Creditors: amounts falling due after more than one year

	2012	2011
	£000	£000
Other commitments	–	100
Bank loans – wholly repayable within five years	964	1,322
Obligations under finance leases (note 16)	810	–
	<u>1,774</u>	<u>1,422</u>

## Notes to the financial statements

at 31 December 2012

### 16. Obligations under finance leases

	2012 £000	2011 £000
Amounts payable		
Within one year	578	–
In two to five years	842	–
	<u>1,420</u>	<u>–</u>
Less finance charges allocated to future periods	(83)	–
	<u>1,337</u>	<u>–</u>
Finance leases are analysed as follows		
Current obligations	527	–
Non-current obligations	810	–
	<u>1,337</u>	<u>–</u>

### 17. Provisions for liabilities

	Provision for dilapidation £000	Provision for onerous lease £000	Total £000
At 1 January 2012	652	1,526	2,178
Arising during the year	56	–	56
Utilised during the year	–	(19)	(19)
At 31 December 2012	<u>708</u>	<u>1,507</u>	<u>2,215</u>

#### *Dilapidation*

The provision was created for the restitution of a property to its original state at the end of the lease in 2014

#### *Onerous lease*

The company has leases on properties which are not expected to be utilised until mid 2014. A provision has been recorded to cover the rental expenses until such time as the property will be occupied

### 18. Issued share capital

	No	2012 £000	No	2011 £000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	30,000	<u>30</u>	30,000	<u>30</u>

# Notes to the financial statements

at 31 December 2012

## 19. Reconciliation of shareholders' funds and movements on reserves

	<i>Share capital</i>	<i>Profit and loss account</i>	<i>Total share- holders' funds</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>
At 1 January 2012	30	8,501	8,531
Profit for the year	–	13,044	13,044
At 31 December 2012	30	21,545	21,575

## 20. Capital commitments

	<i>2012</i>	<i>2011</i>
	<i>£000</i>	<i>£000</i>
Future capital expenditure	22	428

## 21. Events since the balance sheet date

As part of the Deluxe UK group's rationalisation programme, on 1 January 2013 the company's trade, assets and liabilities were transferred to Deluxe 142 Limited at net book value

## 22. Other financial commitments

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as set out below

	<i>2012</i>		<i>2011</i>	
	<i>Land and buildings</i>	<i>Other</i>	<i>Land and buildings</i>	<i>Other</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Operating leases which expire				
In one to five years	831	–	831	–
Over five years	1,099	–	1,099	–
	1,930	–	1,930	–

Of the commitments in respect of leases that expire in over 5 years £1,080,000 has been provided for at 31 December 2012 as onerous lease

Leases of land and buildings are typically subject to rent reviews as specified intervals and provide for the lessee to pay all insurance, maintenance and repair costs

## 23. Related party transactions

The company has taken advantage of the exemption under FRS 8 'Related Party Disclosures' not to disclose transactions with fellow group members that are wholly owned

## Notes to the financial statements

at 31 December 2012

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

The immediate parent undertaking is Capital-FX Holdings Limited

The company's ultimate parent undertaking and controlling party and the parent undertaking of the largest and smallest group for which group financial statements are drawn up and of which the company is a part is MacAndrews & Forbes Holdings Inc, a privately owned US company. A copy of the group financial statements of MacAndrews & Forbes Holdings Inc can be obtained from 35 East 62nd Street, New York, NY 10065, USA