Vue International Bidco plc
(formerly known as Vougeot Bidco plc)

Registered number: 08514872

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2016

CONTENTS

COMPANY INFORMATION

Directors	J. Timothy Richards Alan McNair Stephen Knibbs Mark Redman - Non Executive Peter Teti - Non Executive Robert Mah - Non Executive Simon Jones - Non Executive
Registered number	08514872
Registered office	10 Chiswick Park 566 Chiswick High Road London W4 5XS
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH

STRATEGIC REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2016

The directors present their Strategic Report of Vue International Bidco plc (formerly known as Vougeot Bidco plc) ("the Company") and its subsidiaries ("the Group") for the year ended 30 November 2016. The comparative period is for the 52 week period ending 26 November 2015. During the year the directors elected to change the financial reporting period from a 52 week period to a year ended 30 November.

PRINCIPAL ACTIVITIES

The principal activity of the Group is the development and operation of state-of-the-art multiplex cinemas. The principal activity of the Company is a holding company which provides management services to the Group.

As at 30 November 2016, the Group operates 211 (2015: 210) cinema sites. 84 (2015: 83) of these sites are in the UK, 36 (2015: 36) in Italy, 33 (2015: 33) in Poland, 30 (2015: 30) in Germany, 21 (2015: 21) in the Netherlands, 3 (2015: 3) in Denmark, and 1 (2015: 1) in each of Eire, Latvia, Lithuania and Taiwan.

The Company has issued listed senior secured fixed and floating rate notes ("the Notes"). The Notes require quarterly reporting which includes a discussion of the performance of the Group on a proforma basis. Reports are available within the 'investor relations' section of the Group website (http://vue-international.com/index.php/investor-relations/reports-presentations) and contain unaudited and non statutory information.

The Company is controlled by Vue International Holdco Limited (formerly known as Vougeot Holdco Limited), a company incorporated in Jersey, which is considered the ultimate controlling party. Vue International Holdco Limited is an investment vehicle for OMERS Administration Corporation ("OMERS") and certain clients of Alberta Investment Management Corporation ("AIMCo").

REVIEW OF THE BUSINESS

In this section and the accompanying Directors' Report, the Company presents further information on the principal activities of the business, including a description of the principal risks and uncertainties facing the Group and an analysis of the development and performance of the business during the year and position for the year then ended.

Further additional information is provided in accordance with "The Walker Guidelines for Disclosure and Transparency in Private Equity" which applies to portfolio companies owned by private equity investors.

The Strategic Report, Directors' Report and financial statements contain certain forward looking statements with respect to the financial condition, results, operations and business of the Group. By their nature, these statements and forecasts involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied forward looking statements and forecasts as they can be affected by a wide range of variables not wholly within the Group's control.

The forward looking statements reflect the knowledge and information available at the date of preparation of the Strategic Report, Directors' Report and financial statements. Nothing in the Strategic Report, Directors' Report and financial statements should be construed as a profit forecast.

TRANSITION TO IFRS

During the year the Group transitioned from UK Generally Accepted Accounting principles ("UK GAAP") to International Financial Reporting Standards ("IFRS"). The prior year comparatives are also stated under IFRS. This restatement has resulted in the balance sheet at 26 November 2015 showing a decrease in total equity of £38.4m from £199.3m deficit under UK GAAP to £237.7m deficit under IFRS. The income statement for the period ended 26 November 2015 shows a decrease in the loss for the year of £37.8m from £60.9m to £23.1m. Further information on the impact can be found in note 38 *Transition to IFRS.*

RESULTS FOR THE YEAR

Group operating profit for the year was £69.5m (2015: £67.3m).

The retained loss for the Group after taxation, finance costs and non-controlling interests amounted to £121.5m (2015: £23.1m). Consolidated EBITDA of £134.0m (2015: £125.2m) is reported before depreciation and amortisation expense of £54.8m (2015: £49.3m) and exceptional items of £9.7m (2015: £8.6m).

Total net cash inflow for the year amounted to £38.0m (2015: outflow £1.3m) as set out below.

Net cash inflow from operating activities for the year was £97.7m (2015: £109.7m) driven by the trading performance of the Group. This includes a cash outflow of £18.9m (2015: inflow £4.7m) from working capital which was driven predominately by a movement in creditors.

Net interest including non-controlling dividends paid amounted to £48.3m (2015: £42.5m) relating primarily to the senior secured notes. Taxation of £8.6m (2015: £7.0m) was also paid.

Net cash outflow from investing activities was £29.1m (2015: £78.4m). Capital investment in cinemas and related assets, net of landlord contributions, was £29.1m (2015: £17.4m). There was no investment in subsidiaries in the current period (2015: £61.2m).

Net cash outflow from financing activities was £30.6m (2015: outflow £32.6m). The outflow in the current period was driven by interest paid during the period of £48.3m (2015: £42.5m), net proceeds on bank loans £98.4m (2015: net repayments £45.9m) and amounts paid to parent undertakings of £75.9m (2015: amounts received of £60.3m).

Market Environment Trends and Factors Affecting Future and Current Performance

Admissions and Gross Box Office Revenues (GBOR)

The recent annual trend of market Admissions and GBOR for the five key territories within the Group are shown in the table below.

Market Admissions (m)	**FY2016**	FY2015	**FY2016 vs FY2015**
UK & Ireland	**186.5**	185.2	**+0.7%**
Germany	**123.2**	139.0	**-11.4%**
Italy	**106.2**	98.5	**+7.8%**
Poland	**51.7**	43.3	**+19.4%**
Netherlands	**33.3**	31.8	**+4.7%**

Market GBOR	**FY2016**	FY2015	**FY2016 vs FY2015**
UK & Ireland (£m)	**1,338.8**	1,283.5	**+4.3%**
Germany (€m)	**1,047.2**	1,153.9	**-9.2%**
Italy (€m)	**672.7**	630.8	**+6.6%**
Poland (PLNm)	**963.9**	797.5	**+20.9%**
Netherlands (€m)	**283.7**	269.8	**+5.2%**

Source: UK IBOE and DCM; Germany FFA; Italy Cinetel; Poland boxoffice.pl; Netherlands IBOE

Following a highly successful film slate during FY2015 the Hollywood titles have continued to perform extremely well driving admissions and GBOR growth in all of the markets in which the Group operates with the exception of Germany in FY2016.

Growth in Italy and Poland was especially strong with very popular local titles supplementing the Hollywood releases. Local productions were not as successful in Germany during FY2016 compared to the prior year when two of the top four titles were German language movies.

Highlights from the Hollywood film slate during the year included *Star Wars Episode VII: The Force Awakens*, released at the start of the year and which was the highest grossing title in all of our markets except Italy, the Pixar-animated sequel *Finding Dory*, *The Jungle Book* as well as releases from popular comic book franchises, *Deadpool, Captain America: Civil War, Batman v Superman: Dawn Of Justice* and *Suicide Squad*.

These films, which proved extremely popular across all of our territories, were complemented by several highly successful local productions which fuelled growth in specific markets and continued to demonstrate the benefit of a diversified portfolio of territories. In the UK & Ireland, *Bridget Jones' Baby* and *Absolutely Fabulous* performed strongly. In Poland, five of the nine highest grossing titles during the year were local productions. In Italy the latest release from popular local director Checco Zalone, *Quo Vado?*, has become the most successful cinema release of all time in that market. In the German and Dutch markets there were some moderately successful local titles such as *Wilkommen Bei Den Hartmanns* in Germany and *Bon Bini Holland* in the Netherlands, however, the relative proportion of local content was lower than that seen in FY2015 in Germany and the Netherlands.

Admissions and Gross Box Office Revenues (GBOR) *(continued)*

Market GBOR levels increased at a higher rate than admissions in all markets except Italy. This increase reflected popular, high quality 3D content, as well as increasingly popular premium products such as luxury seating and large format screens.

The GBOR growth rate in Italy was impacted by the introduction of a market-wide discounting initiative during Q4, called “Cinema2Days”.

The GBOR levels achieved during the year in the UK & Ireland, Poland, Italy and the Netherlands are new records for those markets.

Other revenues

Retail revenues remain a significant source of income for the Group. Traditionally, products such as popcorn, hot dogs, nachos and soft drinks have been popular food and beverage choices for audiences, however, there is an increasing demand for a more diverse offering both in terms of range of products as well as premium offerings.

During the year, new products offered to audiences included premium craft beers, with trials in the areas of doughnuts, Starbucks coffee and frozen Coca Cola at certain sites.

Screen advertising continues to provide a consistent source of additional revenue and the Group has also continued to grow and develop other revenue sources, such as the hire of auditoria for corporate and private events, sale of movie-related merchandising and off-screen advertising.

BUSINESS MODEL

The Group generates its revenue mainly through the sale of tickets for audiences to view screenings of movies within its cinemas, the sale of food and beverages to the audiences and through advertising revenue.

The main costs for the Group relate to film rental payments to distributors for the right to screen movies within its cinemas, purchasing of concessions goods for resale, rental expense for its cinemas as well as utilities and maintenance to operate the sites and the cost of employing staff working at its cinemas.

STRATEGY

The Group continues to actively seek new opportunities for value enhancing development and appraises all relevant opportunities as and when they arise, either for organic development or potential acquisition.

New sites development

During the year the Group opened two new state-of-the-art multiplex sites, one in the UK and one in the Netherlands.

In the UK, Vue opened a nine screen site in Darlington on 23 June 2016. It is located in the new "The Feethams" Leisure development on the site of the town's former bus station. The development includes a new hotel and a range of restaurants and bars. The Darlington cinema has been built to Vue's high standards including stadium seating, the latest Sony 4K digital projection and enhanced VIP seating.

In the Netherlands, Vue opened a new seven screen site in Alkmaar on 12 February 2016. This was the first site to be branded 'Vue Nederland' and replaced an old site in Alkmaar which closed during January 2016. The new cinema includes a premium large format screen that utilises Barco Laser projection and Dolby Atmos immersive sound. It was also the first Vue site in the Netherlands to offer a 'walk through, self-service' retail area and bar.

Development of existing sites

The Group has continued to invest in the improvement of existing sites to enhance the experience of our customers. This includes the installation of new screens, including premium large format screens, the installation of a range of premium seating choices, the redevelopment of seating, flooring and foyer areas, and the enhancement of the retail offering.

Additional screens were installed in our cinema in Taiwan during the period with plans to add further screens at our highly popular Westfield site in the UK during 2017 as well as other sites in Germany, Italy and the Netherlands.

Shortly after the year end our site at Apeldoorn in the Netherlands opened additional screens and a major retail redevelopment of our site at Bristol Cribbs in the UK was also completed. Bristol Cribbs will provide a pilot site for 'Next Generation Retail' within our UK cinemas and will help give valuable insights to drive the retail strategy going forward.

Refurbishments at our Multikino sites at Gdynia and Warsaw Wola were completed during 2016. For both cinemas, the works were focussed on the foyer and concourse finishes and remodelling of the retail stands to drive incremental revenue.

For the coming year, large-scale refurbishments are planned at Vue's West End flagship cinema in London and our CinemaxX site in Hannover.

The rebranding to 'Vue Nederland' from the former JT Bioscopen brand was successfully completed during 2016 with varying levels of refurbishment works being undertaken at each site to accompany the rebranding.

The programme to install new improved VIP seats across our cinemas was completed in Germany and the Netherlands during 2016 while Italy finished in December 2016. The new offer has proven extremely popular with our customers. Our Multikino sites in Poland will benefit from the same VIP seats being installed during 2017.

Development of existing sites *(continued)*

In the UK and Ireland, we have installed fully reclining luxury seats at four sites and sales performances have exceeded expectations.

Premium large format screens have continued to be popular with our customers. The Group currently has 14 Vue Xtreme screens in the UK and 1 in Poland, as well as third party branded screens from IMAX in the UK and Denmark, and two Dolby screens in the Netherlands.

The Group will continue to assess opportunities within the circuits for developing existing sites, including the addition of new screens where appropriate.

Technology

The success of the IMAX installation in Copenhagen resulted in a second screen being installed in Aarhus shortly after year end. The Group continues to review specific sites for installation of premium large format screens.

We recently initiated a programme in the Vue UK and Ireland and CinemaxX estates to swap existing 4K projectors with Sony dual 4K projector systems. The Sony dual projector uses high pressure mercury (HPM) lamps, maximises the light and contrast in the largest auditoria across both territories. These projectors will also be installed in the premiere screens at our flagship UK West End site in 2017.

Our automated Film Scheduling software system is in its final development phase and will be implemented across the whole UK and Ireland circuit in 2017. The application of the system across our other territories is currently under consideration.

The first release of the new website and customer value management (CVM) platform was delivered in the UK in August 2016. The common hardware and software tools have been replicated for use in Poland for go-live in H1 2017, with other territories to follow later in the year.

The finance system upgrade has been completed in Poland, and now attention has turned to improving the Group’s consolidation and business intelligence tools which will offer extensive and automated reporting capabilities across all territories.

Screen advertising

Overall, screen advertising revenues were slightly down on what was an extremely successful 2015 driven by SPECTRE. Typically, screen advertising revenues move directionally with admissions levels, with other factors such as macroeconomic conditions and change in mix of films also impacting the final outcome.

Operational efficiency

The Group remains focussed on ensuring continuous improvement in site operations to achieve relevant efficiencies.

Enhancing energy efficiency remains of core importance to our Group, from an environmental perspective as well as from the associated cost savings. Savings are delivered through a combination of behavioural measures as well as investment in new technologies and equipment.

During the year, energy efficiency investment was undertaken in the areas of HVAC controls in Poland with more efficient LED lighting being installed in Italy and in the Netherlands.

In Poland and Italy, additional enhanced energy management procedures were introduced during the year and these have delivered further reductions in electricity consumption.

The Group also continues to proactively review and manage our lease contracts to ensure rent, length of lease and space rented are all optimally configured. During the year, a number of leases in all of our territories were re-geared to deliver additional value for the Group.

During the year, the Group has also continued to leverage its scale in negotiating and securing enhanced supply contracts. Through 2016 deals for the provision of plastic cups, alcohol, ice cream and confectionary were all agreed with our suppliers, all on attractive terms which have helped to improve our margins whilst ensuring the provision of high quality products and services for our customers.

Principal risks and uncertainties

The management of the business and the execution of the Group’s strategy are subject to a number of risks. The Group’s approach to risk management is to manage risks rather than attempt to eliminate risks in the pursuit of its business objectives.

Management considers risks within day-to-day activities insuring that initiatives and appropriate processes are implemented to monitor and mitigate them. The Group has a formal risk management framework and continues to develop a Group wide internal audit capability to strengthen corporate governance across the Group.

The key business risks affecting the Group are set out below:

Film production and quality risk

The quality of the films released in any period is the main determinant of the Group's admissions which in turn drive revenue and profitability. There is an inherent reliance on major US studios and local film industries to continue to develop successful films and franchises that ensure a reliable and recurring stream of revenue.

The Group maintains close relationships with studios and local distributors to understand, as early as possible, likely film performance. The Group has also significantly increased exposure to local, non Hollywood film demand through increasing its presence in European markets. This helps to provide a robust hedging mechanism during phases where Hollywood content may not be as appealing to cinema audiences.

Competition risk

The Group operates in a competitive market place. Other operators have sites within the catchment areas of many of the Group cinemas.

To mitigate this risk the local operations teams monitor the services provided to customers with a focus on continual improvement. Additionally, the Group invests significant amounts in maintaining and improving its cinema estate resulting in a high proportion of state-of-the-art, stadium seated, high quality multiplexes within its portfolio. The Group is undertaking a companywide initiative to improve its customer facing digital platforms. Together these enhance the customer experience from awareness, choice and booking through to ticket collection and the screening experience itself.

Supplier risk

The Group's main suppliers are the distributors of the film product that drive admissions at the cinemas and the suppliers of branded food, drink and confectionery offered at the sites.

The relative importance of each distributor varies over time in line with the relative success of the individual films that they release each year and is managed through the Group's film buying teams.

The Group has continued to develop its procurement capability for non film purchasing activity resulting in international arrangements which have benefited the Group as a whole together by leveraging its increasing scale.

Health and safety risk

The Group's cinemas attract over a million visitors every week. The Group places paramount importance on ensuring its sites are physically safe environments and that its food and beverage products are maintained and served in accordance with food safety regulations. The Group employs ongoing compliance monitoring methods within its sites and conducts frequent and unannounced operational audits as part of its monitoring programme.

Information security and data protection risk

Work continues to be performed across the Group to ensure the security of data and compliance with the relevant rules and guidelines which exist in local territories. Industry wide accreditations such as Payment Card Industry Data Security Standards (PCI-DSS) continue to be sought, with good progress in the UK where the Call Centre Channel achieved full compliance, with other sales channels expected to be compliant within the calendar year. Similarly in the Netherlands, the Online Sales Channel achieved PCI compliance in 2016.

Continuity risk

This is the risk that the business, or a significant part of it, is unable to recover effectively after a major incident. This could lead to financial loss, customer loss or potential business closure. The Group has standard operating procedures designed to protect sites, staff, visitors and customers in the event of fire or similar major incident. These procedures are reviewed frequently in order to keep them current.

People risk

The business has been growing significantly and management recognises the reliance that may be placed on key personnel at all levels. The Group's HR function establishes methods for succession planning, effective recruitment and talent management.

During the year work has been undertaken to establish a set of Group policies that define the Group's behavioural standards and expectations. These include code of conduct and anti-fraud policies.

FINANCIAL RISK MANAGEMENT

The Groups operations expose it to a variety of financial risks that include liquidity, interest rate and foreign exchange risks. The Group has mechanisms in place that seek to limit the impact of adverse effects of these risks on the financial performance of the Group.

Liquidity risk

The Group actively manages its finances to ensure that it has sufficient funds available for its operations. Methods include weekly cashflow forecasts across all territories, efficient management of revolving credit facilities and regular forecasting of capital expenditure requirements.

Interest rate cash flow risk

Two swaps terminated during the year, one with Lloyds Bank plc and one with Nomura International plc. Although no new swaps have been entered into the directors continue to monitor interest rate exposure on an ongoing basis and may put new interest rate swaps in place in the future.

Foreign exchange risk

The Group has foreign currency assets and liabilities. The Group does not currently use financial instruments to manage the risk of fluctuating exchange rates and as such no hedge accounting is applied. Due to the Group having assets and liabilities in multiple currencies, a natural hedge is inbuilt into the Group operations. The directors keep the exposure to currency fluctuations under constant review.

Group internal audit

A Head of Group Internal Audit was appointed in March 2016 to establish a Group-wide auditing capability across the territories covering corporate, operational, financial and strategic risk areas.

During the year a number of audit and assurance projects were undertaken whilst work continues on improving and strengthening the Group policy framework designed to ensure consistent processes and controls across the business. Work will continue in this area in 2017, as well as accelerating the rollout of field audit capabilities across the territories.

Financial key performance indicators

The Board monitors Admissions, Group Turnover, Box Office Revenue and Consolidated EBITDA. All figures stated below reflect the results of the Group:

	Year ended 30 November 2016	Period ended 26 November 2015
Admissions	**82.8m**	81.2m
Group Turnover	**£772.5m**	£707.0m
Box Office Revenue	**£506.4m**	£464.1m
Consolidated EBITDA	**£134.0m**	£125.2m

Consolidated EBITDA of £134.0m (2015: £125.2m) is reported before depreciation and amortisation expense of £54.8m (2015: £49.3m) and exceptional operating items of £9.7m (2015: £8.6m).

Future outlook

The Hollywood slate for 2017 includes a range of highly anticipated releases from proven franchises. The year started with the Star Wars spin-off *Rogue One: A Star Wars Story*, which has delivered significant admissions across all of our markets. Additionally, Disney animation *Moana*, *Fifty Shades Darker*, children's movies *Sing* and *Lego Batman* and the award-winning musical *La La Land*, have all been popular.

During the remainder of the year, key Hollywood releases include *Fast & Furious 8*, three releases in the Marvel cinematic universe *Guardians Of The Galaxy 2*, *Spiderman: Homecoming* and *Thor: Ragnorak*, DC Comics franchise movies *The Justice League* and *Wonder Woman*, the latest sequels in popular animated franchises *Cars 3* and *Despicable Me 3*, as well as the live action remake of Disney's *Beauty And The Beast*.

Highly anticipated local productions include *Fack Ju Gohte 3* in Germany, which will look to build on the very strong box office performances of the earlier releases in that franchise, and *Onze Jongens* and *Soof 2* in the Netherlands. As usual, December and January have seen strong performances from local comedies in the Italian market, such as *Mister Felicita*.

The Group will continue to invest in its existing cinemas and infrastructure and explore new opportunities through site development, procurement, customer value management, corporate partnerships, operating efficiencies and technology.

This report was approved by the board on 20 March 2017 and signed on its behalf by

Alan McNair
Director

The directors present their report and the financial statements for the year ended 30 November 2016.

RESULTS AND DIVIDENDS

The loss for the financial year after tax amounted to £121.5m (2015: £23.1m). Further discussion of the results and performance of the Group is provided in the Strategic Report on pages 3 to 13.

The directors do not recommend that a dividend be paid (2015: nil).

FUTURE DEVELOPMENTS

A discussion of future developments of the Group and Company has been included in the Strategic Report.

GOING CONCERN

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. In particular the working capital requirements of the Group are met by the Group's available cash balance combined with the revolving credit facility provided under agreement with the Company.

The longer-term finance of the Group is provided by senior secured floating and fixed Euro and Sterling denominated notes plus shareholder loans and a senior secured term loan (see note 24). As a result the directors believe that the Group will, for the foreseeable future, be able to continue trading and meet all liabilities as and when they fall due, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

PRIVATE EQUITY OWNERSHIP

The Company is controlled by Vue International Holdco Limited a company incorporated in Jersey. Vue International Holdco Limited (formerly known as Vougeot Holdco Limited) is an investment vehicle for OMERS Administration Corporation ("OMERS") and certain clients of Alberta Investment Management Corporation ("AIMCo").

AIMCo is one of Canada's largest and most diversified institutional investment managers with more than CAD$90 billion of assets under management as at 31 December 2016. AIMCo was established on January 1, 2008 with a mandate to provide superior long-term investment results for its clients. AIMCo operates at arms-length from the Government of Alberta and invests globally on behalf of 31 pension, endowment and government funds in the Province of Alberta. For more information on AIMCo please visit www.aimco.alberta.ca.

Founded in 1962, OMERS is one of Canada's largest defined benefit pension plans, with more than CAD$85 billion in net assets as at 31 December, 2016. It invests and administers pensions for 470,000 members from municipalities, school boards, emergency services and local agencies across Ontario. OMERS has employees in Toronto and other major cities across North America, the UK, Europe and Australia -- originating and managing a diversified portfolio of investments in public markets, private equity, infrastructure and real estate. With 37 private equity investment professionals, the group is headquartered in Toronto with offices in New York and London. For more information, please visit www.omersprivatemarkets.com.

Ownership structure

The ownership structure in Vue International Holdco Limited, the ultimate controlling party, including the shares allocated through the executive incentive scheme is as follows:

OMERS	37.1%
AIMCo	37.1%
Management	25.8%

DIRECTORS

The directors who held office during the period and up to the date of signing these financial statements were as follows:

J. Timothy Richards
Alan McNair
Stephen Knibbs
Mark Redman - Non Executive
Peter Teti - Non Executive
Robert Mah - Non Executive
Simon Jones - Non Executive

J. Timothy Richards - Founder and Chief Executive Officer

In 1998, Tim left Warner Bros. Studio in L.A. and founded a start-up cinema exhibition company then named SBC International Cinemas. Today Vue International is one of the largest cinema exhibition companies in the world and boasts 211 state-of-the-art multiplexes in the UK, Ireland, Germany, Denmark, Poland, Latvia, Lithuania, Italy, the Netherlands and Taiwan.

Before entering the entertainment industry, Tim was a Wall Street Lawyer engaged in international finance and cross-border mergers and acquisitions while based in London and New York. Tim is currently a Governor on the Board of Governors of the British Film Institute ("BFI") and is the Chairman of the children's charity Hope and Homes for Children.

Alan McNair - Deputy Chief Executive Officer

Alan has over 35 years in the entertainment and leisure business. He has extensive senior management experience in a wide number of international markets, starting in film distribution in 1979, followed by video distribution and since 1987, in international cinema exhibition. Prior to joining Tim in 1999, Alan held the position of Executive Vice President and CFO of United Cinemas International (UCI) worldwide. Alan joined UCI at its inception in 1989 when the company was only operating a handful of cinemas in the UK and as CFO helped steer them to become one of the largest and most successful cinema operators worldwide. Alan was named the International Exhibitor of the Year by CineEurope in 2014.

DIRECTORS *(continued)*

Stephen Knibbs – Chief Operating Officer

Steve joined Vue in 2003 as Chief Operating Officer and is a key member of the senior executive team which has grown the business to its current scale. Prior to joining Vue, Steve was Managing Director of UCI Cinemas (UK) and then Senior Vice President for UCI in North Europe, overseeing the operations in the UK, Ireland, Germany and Poland.

Mark Redman - Non Executive

Mark Redman is an Executive Vice President and the Global Head for OMERS Private Equity ("OPE"). Mark joined OPE UK in September 2009 and has led OPE's investments in HayFin, V.Group, Lifeways, Civica and Vue to date. Prior to OPE UK, Mark worked at Grant Thornton as a corporate finance advisor until 1996, when he joined 3i. During his time at 3i, he helped open and grow 3i's Amsterdam office and also developed its market entry strategy for Turkey. Mark has a Master's Degree in Modern History from Oxford University and is a Chartered Accountant.

Peter Teti - Non Executive

Peter Teti is Senior Vice President, Private Equity and Relationship Investments at AIMCo, having joined in September 2012. Previously, Peter was a Managing Director of Rothschild (Canada) Inc. and has worked in investment banking for 16 years in Toronto and London. He has a Bachelor of Commerce (Honors) from Queen's University and is a Chartered Accountant.

Robert Mah – Non Executive

Robert Mah is Executive Vice President, Private Investments at AIMCo, having joined in December 2010 after 20 years as an investment banker. Prior to AIMCo, Robert has worked at Scotia Capital as Managing Director responsible for Investment Banking and, prior to that, with Rothschild (Canada). He has a Bachelor of Commerce in Finance and Economics from McGill University and a Master's Degree in Business Administration from the University of Toronto's Rotman School.

Simon Jones – Non Executive

Simon Jones is a Director at OPE UK Simon joined OPE UK in February 2010 and has been responsible for transacting and monitoring OPE's investments in HayFin and Vue. Prior to joining OPE UK, Simon worked within PricewaterhouseCoopers' Corporate Finance advisory practice in London from 2004 to 2010. He has a Bachelor of Science degree in International Business and French from the University of Warwick and is a Chartered Accountant.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

During the period to 30 November 2016 and to the date of approval of the financial statements, the Company and Group maintained liability insurance for its directors and officers.

POLITICAL AND CHARITABLE CONTRIBUTIONS

No political contributions were made in the period (2015: nil). Charitable contributions of £10k (2015: nil) were made in the period.

SOCIAL AND COMMUNITY ISSUES

The Group works with local communities in the businesses it operates to attract people to fill vacancies from those communities.

RESEARCH AND DEVELOPMENT ACTIVITIES

The Group continues to invest in the design, maintenance and operation of its sites in order to ensure customers are provided with the ultimate guest experience every time they visit one of the Group's cinemas.

Areas of development include our food and beverage products, ensuring state-of-the-art audio and visual experience through the latest technologies, as well as continued improvement in guest comfort from providing enhanced premium seating offers.

ENVIRONMENTAL MATTERS

The Group seeks to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The Group has complied with all applicable legislation and regulations.

Vue management have continued a programme of capital and operational initiatives during 2016 to deliver reductions in the Group's carbon footprint. Environmentally beneficial projects include reductions in electricity and gas consumption and improvements in waste management.

Notable reductions in electricity consumption have been delivered in Italy, UK and Germany as a result of several capital projects including energy efficient lighting, control of ventilation and air conditioning equipment and enhanced management procedures in relation to operational best practice.

The Group will continue to develop its energy saving strategy during 2017.

POST BALANCE SHEET EVENTS

There were no post balance sheet events as at the date of approving the financial statements.

EMPLOYEE INVOLVEMENT

Our people

People are at the core of delivering the best cinema experience across all territories in which we operate. Therefore, creating and retaining high performing teams and individuals is a key focus.

Aligned organisational structures

In order to maximise international synergies and local opportunities in each of our markets, we develop global strategies which we tailor and roll out to each of our operating businesses such that we capitalise quickly on local prospects. To deliver this strategy and to ensure that organisational structures continue to meet business requirements, our structures are reviewed on an ongoing basis and continuously evolve within each territory.

Developing and retaining talented employees is a fundamental part of the Group strategy. With similar organisational structures in place across all territories, we can improve the way we offer employee career paths across the Group and also maximise commercial opportunities by identifying, sharing and implementing best practice.

Aligned employees

The Group's reward and recognition strategy is designed to ensure that employees are aligned to the Group's goals and are rewarded for the contribution that they make to the Group's success. Performance is driven by ensuring that incentive and recognition plans align all employees to the delivery of key business priorities and targets. Pay and benefit structures are competitive and are regularly benchmarked against relevant external data.

The incentive plans that are in place include both a company and personal element. Employees are rewarded for both overall company performance and individual business contribution. Where teams have direct responsibility for specific revenue lines and profitability bonuses have been designed to share with the team a percentage of the incremental revenue and profit that they generate.

In the UK, we have continued to run recognition schemes that instantly reward great customer service within our busiest periods and we continue building on this in other territories.

Finding, developing and retaining our top talent

The Group is committed to finding and appointing top talent as well as providing training and on-going development aligned to business and employee needs.

Designing effective recruitment tools and clearly defining role accountabilities, skills and capabilities are a prime focus across all territories.

In the UK, modular training frameworks create clear career paths, ensuring that teams fulfil their potential and continue to develop their skills and ability within their current position but also for potential future opportunities. As the business continues to change, develop and grow, focused internal training and development programmes are delivered in order to support employees with the acquisition of newly required business skills and capabilities. There are also bespoke and targeted development programmes for employees in the internal talent pools that support management succession plans. Examples of these development programmes include Leadership, Personal Impact and Commercial acumen. The talent pipelines ensure that critical vacancies are filled quickly and cost effectively. Building on this UK success, the plan is to introduce similar talent frameworks within all other territories.

Employee involvement and implementation of best practice

The Group seeks to engage all employees in both its short and long term goals. This is achieved through a number of two-way communication methods including senior management briefings, employee forums and work councils.

Best practice is proactively identified and implemented across the Group using various methods such as setting up regular workshops that bring together key specialist managers from each territory in areas such as, but not limited to, Retail, Pricing, Marketing and Screen Content.

Equality of opportunity and human rights

The Group is committed to making full use of the talents within the business and therefore provides equal opportunities for all. Employment decisions which include recruitment, promotion, compensation, benefits, performance management and training are based on an individual's skills, performance and behaviour and how these relate to the requirements of the business. The Group seeks to treat all its employees with dignity and respect.

Gender breakdown

Gender diversity within the Group as at 30 November 2016 was:

Level	Definition	Male	Male %	Female	Female %	Total
Board directors	Statutory Board Members	3	100%	-	0%	**3**
Senior Managers	Group Executive Directors, Territory Managing Directors ("MDs") and Directors reporting to MDs	32	82%	7	18%	**39**
Employees	All employees excluding those mentioned above	4,573	48%	5,018	52%	**9,591**
Total		**4,608**	**48%**	**5,025**	**52%**	**9,633**

DISABLED EMPLOYEES

It is the policy of the Group that disabled people, whether registered or not, should receive full and fair consideration for all job vacancies for which they are suitable applicants. Employees who become disabled during their working life will be retained in employment wherever possible and will be given help with any necessary rehabilitation and retraining. The Group is prepared to modify procedures or equipment, wherever this is practicable, so that full use can be made of an individual's abilities.

STATEMENT OF DISCLOSURE TO AUDITORS

In accordance with Section 418, in the case of each director in office at the date the directors' report is approved, confirms that:

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed in accordance with section 489(4) of the Companies Act 2006.

This report was approved by the board on 20 March 2017 and signed on its behalf by

Alan McNair
Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 Group and Company and of the profit or loss of the Group and Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

The directors are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This responsibility statements was approved by the board of directors on 20 March 2017 and is signed on its behalf by

Alan McNair
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VUE INTERNATIONAL BIDCO PLC FOR THE YEAR ENDED 30 NOVEMBER 2016

Report on the financial statements

Our opinion

In our opinion, Vue International Bidco plc's Group financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's affairs as at 30 November 2016 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the consolidated balance sheet as at 30 November 2016;
- the consolidated income statement and consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the consolidated statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matters prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion, we have not received all the information and explanations we require for our audit. We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 21, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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 Group'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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Other matters

We have reported separately on the Company financial statements of Vue International Bidco plc for the year ended 30 November 2016.

JS Jenkins

Julian Jenkins (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
20 March 2017

Vue International Bidco plc

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2016

	Notes	Year ended 30 November 2016 £000	(1) (2) Restated Period ended 26 November 2015 £000
Revenue	**5, 6**	**772,525**	707,043
Cost of sales		**(293,746)**	(269,844)
Gross profit		**478,779**	437,199
Operating expenses:			
Headline operating expenses		**(344,772)**	(311,952)
Depreciation & amortisation	**8**	**(54,826)**	(49,277)
Exceptional operating items	**11**	**(9,685)**	(8,625)
Operating profit	**8**	**69,496**	67,345
Headline operating profit (3)		**79,181**	75,970
Finance income	**10**	**251**	187
Finance expenses	**10**	**(173,109)**	(77,574)
Net finance costs		**(172,858)**	(77,387)
Loss before income tax		**(103,362)**	(10,042)
Tax	**15**	**(18,110)**	(13,024)
Loss for the year		**(121,472)**	(23,066)
Attributable to:			
- Owners of the parent		**(121,434)**	(23,006)
- Non-controlling interests		**(38)**	(60)
		(121,472)	(23,066)

(1) Restated to include the results of the acquisition of Jogchem's Theaters B.V. in August 2015 (refer to note 3.1).

(2) Restated to include IFRS transition adjustments (refer to note 38).

(3) Before exceptional items.

The notes on pages 30 to 76 are an integral part of these consolidated financial statements.

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the parent company income statement. The loss of the parent company for the year was £82.7m (2015: profit £6.4m).

Vue International Bidco plc

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2016

	Year ended 30 November 2016 £000	(1) (2) Restated Period ended 26 November 2015 £000
Loss for the year	**121,472**	23,066
Items that will not subsequently be reclassified to profit or loss		
Net remeasurement loss on retirement benefit obligations	**-**	51
Items that may subsequently be reclassified to profit or loss		
Translation (gains)/losses on net investments	**(52,948)**	25,084
Other comprehensive (loss)/income for the year, net of income tax	**(52,948)**	25,135
Total comprehensive loss for the year	**68,524**	48,201
Attributable to:		
- Owners of the parent	**68,486**	48,141
- Non-controlling interests	**38**	60

(1) Restated to include the results of the acquisition of Jogchem's Theaters B.V. in August 2015 (refer to note 3.1).

(2) Restated to include IFRS transition adjustments (refer to note 38).

The notes on pages 30 to 76 are an integral part of these consolidated financial statements.

Vue International Bidco plc

CONSOLIDATED BALANCE SHEET
AS AT 30 NOVEMBER 2016

	Notes	As at 30 November 2016 £000	(1)(2) Restated As at 26 November 2015 £000	(2) Restated As at 28 November 2014 £000
Non-current assets				
Property, plant and equipment	16	343,789	349,139	380,538
Goodwill and intangible assets	17	864,137	820,123	779,957
Investments	18	185	430	176
Deferred tax asset	19	31,313	38,281	44,587
Trade and other receivables	21	2,799	2,416	2,816
Total non-current assets		1,242,223	1,210,389	1,208,074
Current assets				
Inventories	20	4,578	5,041	4,382
Trade and other receivables	21	61,981	63,490	66,041
Cash and cash equivalents	22	102,946	53,841	61,349
Total current assets		169,505	122,372	131,772
Total assets		1,411,728	1,332,761	1,339,846
Current liabilities				
Trade and other payables	23	171,061	166,238	159,502
Interest-bearing loans and other liabilities	24	5,978	4,630	51,013
Provisions	27	987	288	488
Derivative financial instruments	25	-	1,527	3,213
Total current liabilities		178,026	172,683	214,216
Non-current liabilities				
Trade and other payables	23	48,455	50,035	47,633
Interest-bearing loans and other liabilities	24	1,386,151	1,228,132	1,144,612
Provisions	27	102,273	116,015	120,536
Deferred tax liability	19	3,354	3,585	4,452
Total non-current liabilities		1,540,233	1,397,767	1,317,233
Total liabilities		1,718,259	1,570,450	1,531,449
Net liabilities		(306,531)	(237,689)	(191,603)
Equity				
Share capital	29	4,718	4,718	4,718
Foreign currency translation reserve		10,814	(42,134)	(17,050)
Share based payment reserve		6,798	4,743	2,688
Retained losses		(329,011)	(205,127)	(182,010)
Equity attributable to owners of the parent		(306,681)	(237,800)	(191,654)
Non-controlling interests		150	111	51
Total equity		(306,531)	(237,689)	(191,603)

(1) Restated to include the results of the acquisition of Jogchem's Theaters B.V. in August 2015 (refer to note 3.1).
(2) Restated to include IFRS transition adjustments (refer to note 38).

The notes on pages 30 to 76 are an integral part of these consolidated financial statements. The note references given above are applicable to 2016 and 2015 only. The financial statements were authorised for issue by the board of directors on 20 March 2017 and are signed on its behalf by

Alan McNair
Director

Vue International Bidco plc

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 NOVEMBER 2016

	Notes	Year ended 30 November 2016 £000	(1) (2) Restated Period ended 26 November 2015 £000
Net cash inflow from operating activities		**97,674**	109,649
Net cash inflow from operating activities	33	**97,674**	109,649
Cash flows from investing activities			
Interest received		**71**	114
Acquisition of property plant and equipment		**(31,673)**	(24,322)
Landlord contributions		**2,555**	6,947
Disposal of property plant and equipment		**466**	42
Investment in subsidaries / joint venture		**-**	(61,235)
Dividends received from associates and joint ventures		**129**	93
Acquisition of non-controlling interest		**(599)**	-
Dividends paid to non-controlling interest		**-**	(70)
Net cash outflow from investing activities		**(29,051)**	(78,431)
Cash flow from financing activities			
Interest paid		**(48,326)**	(42,532)
Repayment of bank loans		**(360)**	(45,796)
Proceeds from issuance of bank loans		**98,738**	(120)
Payment of finance lease liabilities		**(4,704)**	(4,441)
Amounts (paid to) / received from parent undertakings		**(75,936)**	60,331
Net cash outflow from financing activities		**(30,588)**	(32,558)
Net increase in cash and cash equivalents		**38,035**	(1,340)
Cash and cash equivalents at the beginning of the period		**53,841**	61,349
Exchange gains/(losses) on cash and cash equivalents		**11,070**	(6,168)
Cash and cash equivalents at the end of the year	22	**102,946**	53,841

(1) Restated to include the results of the acquisition of Jogchem's Theaters B.V. in August 2015 (refer to note 3.1).

(2) Restated to include IFRS transition adjustments (refer to note 38).

The notes on pages 30 to 76 are an integral part of these consolidated financial statements.

Vue International Bidco plc

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2016

		Attributable to equity holders of the company						
	Notes	Share capital £000	Share based payments Reserve £000	Retained earnings £000	Foreign currency transalation reserve £000	Total £000	Non-controlling interest £000	Total equity £000
(2) Balance at 27 November 2014		4,718	2,688	(182,010)	(17,050)	(191,654)	51	(191,603)
Profit/(loss) for the year		-	-	(23,066)	-	(23,066)	60	(23,006)
Other comprehensive income for the year		-	-	(51)	(25,084)	(25,135)		(25,135)
Total comprehensive income for the year		-	-	(23,117)	(25,084)	(48,201)	60	(48,141)
Credit to equity for equity settled share based payments	**27**	-	2,055	-	-	2,055	-	2,055
(1) (2) Balance at 26 November 2015	**30**	4,718	4,743	(205,127)	(42,134)	(237,800)	111	(237,689)
Balance at 26 November 2015		**4,718**	**4,743**	**(205,127)**	**(42,134)**	**(237,800)**	**111**	**(237,689)**
Profit/(loss) for the year		**-**	**-**	**(121,472)**		**(121,472)**	**39**	**(121,433)**
Other comprehensive income for the year		**-**	**-**		**52,948**	**52,948**		**52,948**
Total comprehensive income for the year		**-**	**-**	**(121,472)**	**52,948**	**(68,524)**	**39**	**(68,485)**
Credit to equity for equity settled share based payments	**27**	**-**	**2,055**	**-**	**-**	**2,055**	**-**	**2,055**
Reserve arising from group restructure		**-**	**-**	**(2,412)**	**-**	**(2,412)**	**-**	**(2,412)**
Balance at 30 November 2016	**30**	**4,718**	**6,798**	**(329,011)**	**10,814**	**(306,681)**	**151**	**(306,531)**

(1) Restated to include the results of the acquisition of Jogchem's Theaters B.V. in August 2015 (refer to note 3.1).

(2) Restated to include IFRS transition adjustments (refer to note 38).

The notes on pages 30 to 76 are an integral part of these consolidated financial statements.

1. General information

With effect from 13 August 2016, the name of the Company was changed from Vougeot Bidco plc to Vue International Bidco plc.

Vue International Bidco plc ("the Company") and its subsidiaries (collectively "the Group") are involved in the development and operation of state-of-the-art multiplex cinemas. Further information on the principal activities of the Group and its operations are set out in the Strategic Report.

The consolidated and company financial statements and the related notes are presented in pounds sterling because that is the currency of the primary economic environment in which the Group operates. Foreign operations are included in accordance with the policies set out in note 3.9.

2. New accounting standards, amendments and interpretations

At the date of authorisation of these financial statements the following new standards, amendments and interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IFRS 15	Revenue from contracts with customers
IFRS 16	Leases
IFRS 9	Financial instruments
IFRS 2 (Amendments)	Classification and measurement of share-based payment transactions
IFRS 11 (Amendments)	Accounting for acquisitions of interests in joint operations
IAS 16 & IAS 38 (Amendments)	Clarification of acceptable methods of depreciation and amortisation
IFRS 10 & IAS 28 (Amendments)	Applying the consolidation exception
IAS 27 (Amendments)	Separate financial statements on equity method in separate financial statements
IAS 1 (Amendments)	Presentation of financial statements disclosure initiative
IAS 12 (Amendments)	Recognition of deferred taxes assets for unrealised losses
IAS 7 (Amendments)	Cashflows statements disclosure initiative

The directors do not expect that the adoption of the standards listed above will have a material impact on the financial statements of the Group in future periods, except as noted below:

- IFRS 15 will have an impact on revenue recognition and related disclosures; and
- IFRS 16 will have an impact on the reported assets, liabilities, income statement and cashflows of the Group. Furthermore, extensive disclosures will be required by IFRS 16.

The Group is currently assessing the impact of these standards and amendments on its results and financial position and therefore, it is not practicable to provide a reasonable estimate of the effect of IFRS 15 and IFRS 16 until a detailed review has been completed.

3. Significant accounting policies

3.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and the Companies Act 2006 applicable to companies reporting under IFRS. The Group financial statements comply with Article 4 of the EU IAS Regulation. The Company has previously prepared its financial statements under United Kingdom Generally Accepted Accounting Practice ("UK GAAP"), however, for the year ended 30 November 2016, it has prepared its financial statements under IFRS. In accordance with IFRS 1, a detailed explanation of the impact of the transition from UK GAAP to IFRS, setting out the restatement of the comparatives for the period ended 26 November 2015 and the opening IFRS balance sheet at 28 November 2014 (the Company's date of transition) is included in note 38.

In accordance with IFRS 3, the Group have adopted predecessor accounting to account for the acquisition of Jogchem's Theaters B.V. and its subsidiaries which was a common control transaction between Vue International Midco Limited, the immediate parent undertaking and the Company. The original transaction occurred on 20 August 2015 and the results of Jogchem's Theaters B.V. from that date to 26 November 2015 have been included in the comparatives presented in these financial statements.

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

3. Significant accounting policies *(continued)*

3.1 Basis of preparation *(continued)*

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4. The principal accounting policies adopted are set out below and have been applied consistently to all periods presented in these financial statements.

3.2 Basis of consolidation

Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) as listed in note 30. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the period are included in the consolidated income statement from the date the Company gains control until the date when the Company ceases to control the subsidiary. Control exists where the Group has the right to variable returns arising from power over the entity which is derived from the ability to direct the relevant activities.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group’s equity therein. They are entitled to a proportionate share of net assets upon liquidation which may initially be measured at fair value or at the non-controlling interests’ proportionate share of the fair value of the acquiree’s identifiable net assets.

Joint ventures

The Group applies IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. The results, assets and liabilities of joint ventures are accounted for using the equity method of accounting.

3. Significant accounting policies *(continued)*

3.2 Basis of consolidation *(continued)*

Investments in associates

Associates are entities where the Group has significant influence but not control, accompanying a shareholding of between 20% - 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting from the date on which the investee becomes an associate. The investment is initially recognised at cost and then increased or decreased in relation to the Group's share of post-acquisition profits or losses and reduced by any dividends received.

3.3 Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. In particular, the working capital requirements of the Group are met by the Group's available cash balance combined with the revolving credit facility provided under the agreement with the Company.

The longer-term finance of the Group is provided by senior secured floating and fixed Euro and Sterling denominated notes plus shareholder loans and a senior secured term loan (see note 24). As a result the directors believe that the Group will, for the foreseeable future, be able to continue trading and meet all liabilities as and when they fall due, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

3.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business, net of discounts and Value Added Tax. Revenue includes ticket sales, concession sales and screen advertising income which is recognised as follows:

- Box office revenue recognised in the period in which the film is shown;
- Concessions revenue recognised at the point of sale;
- Screen advertising revenue recognised in the period to which it relates; and
- Other revenue recognised in the period to which it relates.

3.5 Barter transactions

The Group engages in certain non-monetary barter transactions where cinema on-screen advertising space is exchanged for external advertising on other third party mediums.

In accounting for Barter Transactions, the associated sales and cost of sales are valued at the weighted average sales price achieved for equivalent cash sales of the Group's own on-screen advertising space.

3. Significant accounting policies *(continued)*

3.6 Net financing costs

Net financing costs comprise interest payable, amortisation of financing costs, unwind of discount on property provisions, finance lease interest, net gain/loss on remeasurement of interest rate swaps, interest receivable on funds invested and net foreign exchange gains or losses on financing activities.

3.7 Retirement benefit costs

The Group operates a number of defined contribution schemes for its employees. The assets of the plans are held separately from those of the Group in independently administered funds. The Group retains no obligations in respect of these independent funds. Contributions to these funds are made by employees and are matched by equal contributions from the Group which are recognised as an expense when employees have rendered service entitling them to the contributions.

The Group also participates in mandatory government schemes in applicable territories. In such cases an obligation is retained by the Group until retirement of the employees and any resulting liability is held as a provision calculated on an actuarial basis.

3.8 Leases

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Rentals payable under operating leases together with leasehold incentives including cash contributions from landlords for the purchase of assets and rent free periods are charged to the income statement on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Finance leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Assets obtained under hire purchase contracts and finance leases are recognised as assets of the Group at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

3. Significant accounting policies *(continued)*

3.8 Leases *(continued)*

Finance leases (continued)

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant period of charge on the remaining net obligation liability balance. Finance expenses are recognised immediately in the income statement, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs.

3.9 Foreign currencies

The individual financial statements of each group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group company are expressed in pounds sterling, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual companies and the consolidated financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date and income and expense items are translated at the average exchange rates for the period.

Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate). Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rate. Exchange differences arising are recognised in other comprehensive income.

3.10 Taxation

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

3. Significant accounting policies *(continued)*

3.10 Taxation *(continued)*

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3. Significant accounting policies *(continued)*

3.10 Taxation *(continued)*

Current tax and deferred tax for the year

Current and deferred tax are recognised in the income statement, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.11 Business combinations

The acquisitions of subsidiaries are accounted for using the acquisition method. The cost of acquisition is measured as the fair value of assets transferred, the liabilities incurred or assumed at the date of exchange of control and equity instruments issued by the Group in exchange for control of the acquiree. Control is achieved where the Company has the power to govern the financial and operating policies of an investee so as to obtain benefits from its activities. Costs directly attributable to business combinations are recognised as an expense in the income statement as incurred.

The acquired identifiable assets and liabilities are measured at their fair value at the date of acquisition except those where specific guidance is provided by IFRSs as outlined below:

- Non-current assets and directly attributable liabilities that are classified as held for sale in accordance with IFRS 5, are recognised and measured at fair value less costs to sell;
- Deferred tax assets and liabilities are recognised and measured in accordance with IAS 12;
- Liabilities and assets related to employee benefit arrangements are recognised and measured in accordance with IAS 19; and
- Liabilities or equity instruments related to the replacement by the Group of an acquiree’s share-based payments awards are measured in accordance with IFRS 2.

Any excess of the cost of the acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts where appropriate. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised at that date. The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum period of one year.

3. Significant accounting policies *(continued)*

3.11 Business combinations *(continued)*

Goodwill on acquisition is initially measured at cost, being the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree, the excess is recognised immediately in profit or loss as a bargain purchase gain.

As at the acquisition date, any goodwill acquired is allocated to each of the cash-generating units acquired. Impairment is determined by assessing the recoverable amount of the cash-generating unit to which goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the income statement and is not subsequently reversed. When there is a disposal of a cash-generating unit, goodwill relating to the operation disposed of is taken into account in determining the gain or loss on disposal of that operation. The amount of goodwill allocated to a partial disposal is measured on the basis of the relative values of the operation disposed of and the operation retained.

3.12 Goodwill

Goodwill is initially recognised and measured as set out in the business combinations note.

The Group considers each cinema site to be a cash-generating unit ("CGU") however, for the purposes of goodwill, the Group considers each territory grouping of individual sites to be a CGU as permitted by IAS 36. Goodwill is allocated to each CGU and is normally reviewed for impairment at least annually or more frequently if events or changes in circumstances indicate that the carrying value may not be recoverable.

The need for an impairment provision is assessed by a comparison of the carrying value of a CGU or group of CGUs with its recoverable amount being the future value in use to the business. The value in use is assessed with reference to the future business forecasts of the Group making certain adjustments as required by the accounting standard.

The discount rate used in assessing the value in use is the estimated weighted average cost of capital employed by the Group, adjusted as necessary for any particular risks of the CGU being reviewed. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3. Significant accounting policies *(continued)*

3.13 Intangible assets

The Group holds the following intangible assets: customer relationships and software. Intangible assets with finite useful lives are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recorded at their fair value at the acquisition date. Following initial recognition, these assets are carried at cost less any accumulated amortisation or impairment losses, on the same basis as intangible assets that are acquired separately.

Computer software is initially recorded at cost. Where these assets have been acquired through a business combination, this will be the fair value allocated in the acquisition accounting. Where these have been acquired other than through a business combination, the initial cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Amortisation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Customer relationships	3 - 10 years
Computer software	3 - 7 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are recognised in the income statement when the asset is derecognised.

Intangible assets are tested for impairment annually or more frequently whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Impairment losses are measured on a similar basis to property, plant and equipment and recognised in the income statement. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

3.14 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3. Significant accounting policies *(continued)*

3.15 Inventories

Inventories are valued on a first-in, first-out (FIFO) basis and are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow moving inventory. Inventory cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Programming inventory held in relation to the Group's distribution business is held at historical cost less provision for amortisation and impairment. Amortisation is applied in the ratio of revenues earned in the current period as a percentage of the estimated lifetime revenues expected for each film.

3.16 Provisions

Provisions for property, restructuring or other legal costs are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material), discounted back using a pre-tax WACC reflecting the risk of those cash flows.

Provision is made for onerous leases, where it is considered that the unavoidable costs of the lease obligations are in excess of the economic benefits expected to be received from operating it.

When calculating the provision for onerous leases the Group is required to make certain assumptions about the future cash flows to be generated from that cinema site. It is also required to discount these cash flows using an appropriate discount rate. The resulting provision is therefore sensitive to these assumptions in respect of future cash flows. However, the directors consider that the assumptions made represent their best estimate of the future cash flows generated by onerous cinema sites, and of the discount rate used to calculate the present value of those cash flows.

3.17 Share-based payments

The Group operates one equity-settled share-based payment scheme, the executive incentive scheme under which the Group receives services from executive employees as consideration for equity shares in the Group.

The fair value of the employee services received in exchange for shares granted is recognised as an expense with a corresponding increase in the share based payment reserve. Upon the share awards vesting the share based payment reserve is transferred to share capital and share premium.

3. Significant accounting policies *(continued)*

3.17 Share-based payments *(continued)*

The total amount of the expense is determined with reference to the fair value of the shares upon grant date with the expense spread evenly over the vesting period. The executive incentive scheme is an equity settled scheme and hence the fair value of the total award at the grant date of the scheme is not remeasured. At the end of each reporting period the Group revises its estimates of the amount of shares that will vest based on an annual reassessment of the likely outcome associated with the service conditions.

3.18 Financial instruments

Financial instruments are classified as financial assets, financial liabilities or equity instruments, and are initially recognised when the Group becomes party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the income statement.

Financial assets

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, short-term deposits and other short-term highly liquid investments with original maturities of three months or less held for the purpose of meeting short-term cash commitments. Bank overdrafts are presented in current liabilities to the extent that there is no right of offset with cash balances.

Trade and other receivables

Trade receivables are measured at amortised cost using the effective interest method, less any impairment. The carrying amount of other receivables is reduced by the impairment loss directly and a charge is recorded in the income statement. For trade receivables, the carrying amount is reduced through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account and changes in the carrying amount of the allowance account are recognised in the income statement.

3. Significant accounting policies *(continued)*

3.18 Financial instruments *(continued)*

Impairment of financial assets

Financial assets, other than those at Fair Value through Profit or Loss (FVTPL), are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

Trade and other payables

Trade and other payables are initially measured at fair value. Subsequent to initial measurement they are measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis, except for short-term payables where the recognition of interest would be immaterial. Trade and other payables principally comprise of amounts owed to suppliers, accrued expenses and social security and other taxes.

Interest-bearing loans

Interest-bearing loans are initially measured at fair value of the consideration received net of issue costs associated with the borrowings. After initial recognition, loan capital and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

3.19 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss, with the exception of freehold land which is not depreciated. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

3. Significant accounting policies *(continued)*

3.19 Property, plant and equipment *(continued)*

Depreciation is charged to the income statement to write assets down to their residual values on a straight line basis over the estimated useful lives on the following basis:

Freehold property	10 - 40 years
Long-term leasehold	15 - 40 years
Short-term leasehold	Over the life of the lease capped at 25 years
Fixtures and Furniture	3 -15 years
Freehold land	Not depreciated

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrappage of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

Assets under construction are not depreciated until projects are completed and brought into use.

Property, plant and equipment are tested for impairment annually or more frequently whenever events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss which is recognised in the income statement.

3.20 Pre-opening and initial site development expenses

Start up, pre-opening and pre-operating costs are written off in the period in which they are incurred.

Expenditure of a capital nature, as set out in IAS 16, is capitalised from the date on which the Board approves the development of the cinema site.

3.21 Exceptional items

Exceptional items are items of expenditure or income which are of a significant and non-recurring nature which include but are not limited to those associated with restructuring programmes, acquisitions or disposals, onerous leases and associated property exit costs and share based payments. These items warrant separate additional disclosure in the financial statements in order to fully understand the underlying performance of the Group and accordingly they are added back in the calculation of Consolidated EBITDA.

4. Critical accounting estimates and judgements

In the application of the Group's accounting policies, which are described in note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Exceptional items

Management review items of expenditure or income which are of a significant and non-recurring nature which include but are not limited to those associated with restructuring programmes, acquisitions or disposals, onerous leases and associated property exit costs and share based payments. These items warrant separate additional disclosure in the financial statements in order to fully understand the underlying performance of the Group and accordingly they are added back in the calculation of Consolidated EBITDA.

Intangible assets

When the Group makes an acquisition, management review the business and assets acquired to determine whether any intangible assets should be recognised separately from goodwill. If such as asset is identified, it is valued using an appropriate valuation methodology which involves estimation techniques. Where there is uncertainty over the amount of economic benefits and the useful life, this is factored into the calculation. Details of intangible assets are given in note 17.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The carrying amount of goodwill at the balance sheet date and details of any impairment are set out in note 17.

4. Critical accounting estimates and judgements *(continued)*

Impairment of property, plant and equipment

When indicators of impairment exist the Group determines whether the property, plant and equipment are impaired. The impairment is determined by estimating the value in use of the cash generating units to which the fixed assets are allocated, which involves making an estimate of the expected future cash flows from the cash generating units that hold the fixed assets at a determined discount rate to calculate the present value of those future cash flows. The Group is required to make certain assumptions about the future cash flows to be generated from the individual cinema sites; it is also required to discount these cash flows using an appropriate discount rate. The resulting calculation is sensitive to the assumptions. The directors consider the assumptions to represent the best estimate of the future cash flows generated by the cinema sites and that the discount rate used is appropriate given the risks. Management has applied sensitivity analysis to the estimates, see note 16.

Taxation

The Group is subject to income tax in jurisdictions in which it operates. Management is required to exercise judgement in determining the Group's provision for income taxes. Management's judgement is required in estimating tax provisions where additional current tax may become payable in the future following the audit by the tax authorities of previously filed tax returns. Management's judgement is also required as to whether a deferred tax asset should be recognised based on estimates of the availability of future taxable profits. While the Group aims to ensure that the estimates recorded are accurate, the actual amounts could be different from those expected.

Onerous leases

The Group is required to make certain assumptions about the future cash flows to be generated from that cinema site. It is also required to discount these cash flows using an appropriate discount rate. The resulting provision is therefore sensitive to these assumptions in respect of future cash flows. However, the directors consider that the assumptions made represent their best estimate of the future cash flows generated by onerous cinema sites, and of the discount rate used to calculate the present value of those cash flows.

5. Revenue

Revenue is derived from external customers in the territories in which the Group operates. The following are considered to be the main classifications of revenue.

Revenue	**Year ended 30 November 2016 £000**	Period ended 26 November 2015 £000
Box office	**506,408**	464,099
Concessions	**173,868**	155,411
Screen advertising and other	**92,249**	87,533
Total revenue	**772,525**	707,043

6. Segment information

Segment information is presented in accordance with IFRS 8, which requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reported to the Group's Chief Operating Decision Maker in order to allocate resources to the segments and assess their performance.

The Group considers the Board to be the Chief Operating Decision Maker. The Group's operating segments comprise geographical territories in the UK and Continental Europe. In accordance with IFRS 8, the Group believes that it has two reportable segments: UK and Continental Europe.

Transfer prices between operating segments are set on an arm's length basis in a manner similar to transactions with third parties. Inter-segment sales are not material and have not been disclosed.

The following tables present the results and certain asset and liability information regarding the Group's reportable segments and central cost centres for the year ended 30 November 2016 and the comparative period.

The Group's revenue split by market is as follows:

	Year ended 30 November 2016 £000	**Period ended 26 November 2015 £000**
United Kingdom	**329,414**	**328,971**
Continental Europe	**434,744**	**369,845**
Other	**8,367**	**8,227**
Total	**772,525**	**707,043**

6. Segment information *(continued)*

	Year ended 30 November 2016	Period ended 26 November 2015
EBITDA	**£000**	£000
United Kingdom	**51,068**	53,774
Continental Europe	**82,155**	70,271
Other	**784**	1,202
Consolidated EBITDA	**134,007**	125,247
Less reconciling items:		
Exceptional items (note 11)	**9,685**	8,625
Depreciation and amortisation (notes 16 & 17)	**54,826**	49,277
Net finance costs (note 10)	**172,858**	77,387
Total loss before tax	**(103,362)**	(10,042)

	Year ended 30 November 2016	Period ended 26 November 2015
(Net liabilities) / net assets	**£000**	£000
United Kingdom	**(455,689)**	(337,552)
Continental Europe	**147,327**	101,670
Other	**1,831**	(1,807)
Total	**(306,531)**	(237,689)

7. Barter Transactions

The value recognised in sales during the year was £2.2m (2015: £2.2m) in relation to barter transactions. This was as a result of 2,220 (2015: 2,770) individual transactions.

8. Operating Profit

The operating profit is stated after charging / (crediting):

	Year ended 30 November 2016 £000	Period ended 26 November 2015 £000
Realised foreign exchange (gains) / losses	**(33)**	72
Depreciation of property, plant and equipment	**52,642**	48,065
Impairment of property, plant and equipment	**8,382**	1,973
Loss on disposal of property, plant and equipment	**67**	549
Amortisation of intangibles assets	**2,184**	1,212
Operating lease rentals		
- Land and buildings	**129,574**	116,108
- Plant and machinery	**2,271**	2,203

9. Auditors' remuneration

During the year the Group obtained the following services from the Company's auditor and its associates:

	Year ended 30 November 2016 £000s	Period ended 26 November 2015 £000s
Fees payable to the Company's auditors for the audit of the Group and Company financial statements	**250**	242
Fees payable to the Company's auditors and its associates in respect of:		
- Audit of the financial statements of the subsidiaries	**400**	288
- Tax compliance services	**60**	6
- Tax advisory services not included above	**502**	425
- Corporate finance services	**1,775**	650
- Other non-audit services	**9**	4
Total audit and non-audit fees	**2,996**	1,615

10. Finance income and costs

Finance income	**Year ended 30 November 2016 £000**	Period ended 26 November 2015 £000
Interest income	**251**	187
Total finance income	**251**	187

Finance costs	**Year ended 30 November 2016 £000**	Period ended 26 November 2015 £000
Interest on bank loans and senior secured notes	**48,940**	43,973
Shareholder loan interest	**67,408**	59,368
Interest on obligations under finance leases	**3,595**	3,390
Unwinding of discount factor on provisions	**2,256**	3,080
Unrealised foreign exchange losses / (gains)	**50,910**	(32,237)
Total finance costs	**173,109**	77,574

Unrealised foreign exchange gains and losses arising on the translation of the euro denominated senior secured notes and term loan are classified as a financing item.

11. Exceptional items

An analysis of the amount presented as exceptional items within operating profit is given below:

	Year ended 30 November 2016	Period ended 26 November 2015
Exceptional items		
Corporate and organisational restructuring costs	**1,692**	2,684
Acquisition related costs	**5,167**	1,380
Property costs	**(7,611)**	532
Share based payments	**2,055**	2,055
Impairment of assets	**8,382**	1,974
Total	**9,685**	8,625

Corporate and organisational restructuring costs

During 2016, the Group paid £0.6m in respect of the settlement with the former minority shareholders of CinemaxX AG and also incurred legal costs in connection with this process. In addition, the Group also made certain structural organisational changes within one of its overseas operations. The costs in 2015 relate mainly to restructuring undertaken immediately following the acquisition of Capitolosette Srl (“Space”) in November 2014 and to certain structural organisational changes made within one of the Group’s overseas operations.

Acquisition related costs

The Group incurs transaction support costs with various external advisers in connection with corporate acquisitions and such costs are recorded in the income statement in accordance with IFRS.

Property costs

These costs relate mainly to onerous lease provisions created or released in the year and other property exit costs. In the current year an amount of £8.1m has been released relating to onerous leases in the UK, offset by other property exit costs. In the prior year onerous lease amounts provided were £0.5m.

Share based payments

Share based payments relate to the cost of providing certain shares to employees. These amounts are significant and are non-cash in nature. Refer to note 26 for further details.

Impairment of assets

From time to time impairments are recorded against the value of assets recorded on the Group’s balance sheet arising from management’s impairment assessment. In the current year management has recorded £8.4m of impairments against the carrying value of property, plant and equipment (2015: £2.0m).

12. Employees

	Year ended 30 November 2016 £000	Period ended 26 November 2015 £000
Wages and salaries	**98,772**	87,855
Social security costs	**11,130**	9,627
Other pension costs	**1,694**	1,379
Total	**111,596**	98,861

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

	Year ended 30 November 2016 No.	Period ended 26 November 2015 No.
Cinema	**8,945**	8,070
Administration	**508**	493
Total	**9,453**	8,563

The above analysis shows the average number of people employed, irrespective of the hours worked. Included in the average number of persons employed by the Group are part-time employees. No distinction is made between full-time and part-time employees in the analysis above.

13. Directors' remuneration

	Year ended 30 November 2016 £000	Period ended 26 November 2015 £000
Remuneration	**2,391**	1,707
Contributions to defined contribution pension schemes	**10**	20
Total	**2,401**	1,727

The highest paid director received remuneration including pensions of £1.0m (2015: £0.7m).

The directors of the Company are remunerated in respect of their executive management services to both the Company and Group as a whole. Their remuneration is borne by the Company and recharged to some of the group undertakings that have trading activities as part of a management service fee. Non executive directors are not remunerated for their services to the Company and Group.

14. Pension commitments

The Group operates a number of defined contribution schemes for its employees. The assets of the plans are held separately from those of the Group in independently administered funds. The Group retains no obligations in respect of these independent funds. Contributions to these funds are made by employees and are matched by equal contributions from the Group. The amount charged to the income statement in respect of these Group funds for the year ended 30 November 2016 amounted to £0.8m (2015: £0.6m).

14. Pension commitments *(continued)*

The Group participates in a mandatory state pension scheme in Italy where obligations are retained to the date that employees leave the Group. The amount charged to the income statement for the year ended 30 November 2016 amounted to £0.9m (2015: £0.8m).

15. Taxation

	Year ended 30 November 2016	Period ended 26 November 2015
Corporation tax:	**£000**	£000
Current year	**212**	398
Group relief payments (receipts)	**(709)**	(536)
(Over)/under provision for prior years	**1,788**	(363)
Overseas tax suffered	**6,466**	7,454
Total current tax charge	**7,757**	6,953
Deferred tax (see note 19)		
Timing differences, origination and reversal	**11,618**	5,763
Adjustment attributable to changes in tax rates and laws	**766**	533
(Over)/under provision for prior years	**(2,031)**	(225)
Total deferred tax	**10,353**	6,071
Total tax charged on profit on ordinary activities	**18,110**	13,024

Corporation tax is calculated at 20% (2015: 20.33%) of the estimated taxable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The tax charge for the year can be reconciled as follows:

	Year ended 30 November 2016 £000	Period ended 26 November 2015 £000
Loss on ordinary activities before tax	**(103,362)**	(10,042)
Tax at the UK corporation tax rate of 20% (2015: 20.33%)	**(20,672)**	(2,041)
Expenses not deductible for tax	**16,864**	12,922
Non-taxable income	**(2,029)**	(797)
Effect of different tax rates of foreign subsidiaries and branch	**1,454**	3,052
Adjustment attributable to changes in tax rates and laws	**765**	533
Tax underprovided in prior periods	**(1,140)**	(588)
Tax losses utilised/carried forward	**22,868**	(57)
Tax expense for the year	**18,110**	13,024

16. Property, plant and equipment

	Freehold Land and Buildings	Long Leasehold Land and Buildings	Short Leasehold Land and Buildings	Furniture, Fixtures and Equipment	Assets under Construction	Total
Cost	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
At 28 November 2014	5,217	92,620	275,720	103,850	1,917	479,324
Additions	60	176	9,144	11,689	2,808	23,877
Disposals	-	-	(497)	(403)	(110)	(1,010)
Transfers	1,039	18	4,737	(4,676)	(1,118)	-
Acquisitions	-	-	252	12,343	313	12,908
Foreign exchange movement	(346)	(10,711)	(7,081)	(8,687)	(190)	(27,015)
As at 26 November 2015	5,970	82,103	282,275	114,116	3,620	488,084
Accumulated depreciation and impairment						
At 28 November 2014	296	57,286	32,747	8,457	-	98,786
Charge for the period	254	462	27,390	19,959	-	48,065
Impairment	-	-	937	1,036	-	1,973
Disposals	-	-	(114)	(305)	-	(419)
Transfers	1,049	743	(996)	(796)	-	-
Foreign exchange movement	114	(4,624)	(3,460)	(1,490)	-	(9,460)
As at 26 November 2015	1,713	53,867	56,504	26,861	-	138,945
Cost						
At 27 November 2015	**5,970**	**82,103**	**282,275**	**114,116**	**3,620**	**488,084**
Additions	**-**	**78**	**10,002**	**11,343**	**7,414**	**28,837**
Disposals	**-**	**-**	**(4)**	**(1,591)**	**(146)**	**(1,741)**
Transfers	**-**	**109**	**602**	**4,153**	**(4,864)**	**-**
Foreign exchange movement	**819**	**17,107**	**10,450**	**16,735**	**468**	**45,579**
As at 30 November 2016	**6,789**	**99,397**	**303,325**	**144,756**	**6,492**	**560,759**
Accumulated depreciation and impairment						
At 27 November 2015	**1,713**	**53,867**	**56,504**	**26,861**	**-**	**138,945**
Charge for the year	**309**	**3,666**	**28,817**	**19,850**	**-**	**52,642**
Impairment	**-**	**-**	**8,382**	**-**	**-**	**8,382**
Disposals	**-**	**-**	**(4)**	**(1,330)**	**-**	**(1,334)**
Fair Value Adjustments	**-**	**-**	**(599)**	**(266)**	**-**	**(865)**
Transfers	**(3)**	**3**	**20**	**(20)**	**-**	**-**
Foreign exchange movement	**128**	**11,503**	**2,952**	**4,617**	**-**	**19,200**
As at 30 November 2016	**2,147**	**69,039**	**96,072**	**49,712**	**-**	**216,970**
Net Book Value						
At 30 November 2016	**4,642**	**30,359**	**207,253**	**95,045**	**6,492**	**343,789**
At 26 November 2015	4,257	28,236	225,771	87,255	3,620	349,139
At 27 November 2014	4,921	35,334	242,973	95,393	1,917	380,538

16. Property, plant and equipment *(continued)*

The net book value of assets held under finance leases, capitalised and included in short-term and long-term leasehold properties amounted to £35.0m (2015: £32.5m). The depreciation charge on the assets held under finance leases was £4.0m (2015: £3.4m).

Assets under construction mainly relates to assets placed into new cinema sites that had yet to commence trading at the date of these financial statements.

The directors do not consider that there is a material difference between the fair value and the historical book value of freehold land and buildings.

Impairment

The Group considers each cinema site to be a cash generating unit ("CGU") and each CGU is reviewed annually for indicators of impairment. The Group estimates value in use using a discounted cash flow model, applying a pre-tax discount rate range of 10.8% to 12.7% (2015: 11.0% to 13.0%). The future cash flows are based on management approved five year plans. A 2% growth rate is applied to estimate the cash flows beyond the five year period up to the end of the life of the lease.

As a result of the Group impairment test £8.4m (2015: £2.0m) was booked as an impairment charge against tangible fixed assets as the carrying value of certain CGUs were deemed to have exceeded their recoverable amounts.

17. Goodwill and intangible assets

	Goodwill	Customer Relationships	Computer software & other development costs	Total
Cost	**£000**	**£000**	**£000**	**£000**
At 28 November 2014	772,268	-	14,909	787,177
Additions	-	3,777	906	4,683
Acquisitions	48,125	-	-	48,125
Foreign exchange movement	(10,575)	(17)	(1,614)	(12,206)
As at 26 November 2015	809,818	3,760	14,201	827,779
Amortisation				
At 28 November 2014	-	-	7,220	7,220
Charge for the period	-	230	982	1,212
Foreign exchange movement	-	(54)	(722)	(776)
As at 26 November 2015	-	176	7,480	7,656
Cost				
At 27 November 2015	**809,818**	**3,760**	**14,201**	**827,779**
Additions	**-**	**-**	**4,863**	**4,863**
Foreign exchange movement	**39,754**	**804**	**2,761**	**43,319**
As at 30 November 2016	**849,572**	**4,564**	**21,825**	**875,961**
Amortisation				
At 27 November 2015	**-**	**176**	**7,480**	**7,656**
Charge for the year	**-**	**1,329**	**855**	**2,184**
Foreign exchange movement	**-**	**155**	**1,829**	**1,984**
As at 30 November 2016	**-**	**1,660**	**10,164**	**11,824**
Net Book Value				
At 30 November 2016	**849,572**	**2,904**	**11,661**	**864,137**
At 26 November 2015	809,818	3,585	6,721	820,123
At 28 November 2014	772,268	-	7,689	779,957

Impairment testing of goodwill

The Group allocates goodwill to territories which are considered to be cash-generating units ("CGUs”) for the purposes of impairment testing. The carrying amount of each CGU is then compared to the recoverable amount. The recoverable amount is deemed to be the higher of the CGU’s value in use or fair value less costs to sell. The Group estimates value in use using a discounted cash flow model, applying a pre-tax discount rate range of 10.8% to 12.7% (2015: 11.0% to 13.0%). The future cash flows are based on management approved five year plans and a terminal value is used to estimate cash flows beyond the five year period assuming a 2% growth rate (2015: 2%). No impairment was booked to goodwill (2015: nil) following the Group impairment test.

Management has conducted a sensitivity analysis on the impairment test of each CGU and the Group of units carrying value and believe that any reasonably possible change in the key assumptions on which recoverable amounts are based would not cause the carrying value to exceed its recoverable amount for any of the CGU’s assessed.

18. Investments

The investments in which the Company has an interest are listed in note 30. An analysis of the Group's investments is as follows:

	Investments in associates £000	Investments in joint ventures £000	Total £000
Movements during			
27 November 2015	**183**	**247**	**430**
Dividends received	**(129)**	**-**	**(129)**
Share of (loss)	**-**	**(208)**	**(208)**
Foreign exchange movement	**53**	**39**	**92**
30 November 2016	**107**	**78**	**185**
Net book value			
As at 30 November 2016	**107**	**78**	**185**
As at 26 November 2015	183	247	430

There have been no additions during the year in relation to investments.

19. Deferred tax

	30 November 2016 £000	26 November 2015 £000
Deferred tax assets	**31,313**	38,281
Deferred tax liabilities	**(3,354)**	(3,585)
Net deferred tax assets	**27,959**	34,696
Analysis of movement of type		
Depreciation in excess of capital allowances	**8,510**	12,494
Tax losses carried forward	**14,315**	21,883
Other timing differences	**5,134**	319
Provision for deferred tax	**27,959**	34,696
Analysis of movement in provision		
Provision at start of period	**34,696**	40,137
Charged to profit and loss account	**(10,353)**	(6,071)
Transfers to translation reserve - foreign exchange movements	**3,616**	630
Provision at end of year	**27,959**	34,696

20. Inventories

	30 November 2016 £000	26 November 2015 £000
Inventories	**4,578**	5,041
Total	**4,578**	5,041

During the year ended 30 November 2016 £0.4m (2015: £0.3m) was charged to the income statement for slow moving and obsolete inventories.

The cost of inventories recognised as an expense amounted to £32.3m (2015: £30.0m).

21. Trade and other receivables

	30 November 2016 £000	26 November 2015 £000
Non-current	**2,799**	2,416
Current	**61,981**	63,490
Total	**64,780**	65,906

	30 November 2016 £000	26 November 2015 £000
Trade receivables	**30,828**	28,630
Allowance for doubtful debts	**(4,357)**	(3,273)
Amounts receivable from parent undertakings	**403**	201
Other receivables	**14,168**	17,995
Prepayments	**23,738**	22,353
Total	**64,780**	65,906

Trade receivables are non-interest-bearing. Credit terms offered to customers vary upon the territory of operation. As at 30 November 2016 trade receivables of £4.4m (2015: £3.3m) were provided for. Amounts past due but not impaired are £5.8m (2015: £4.1m).

Amounts receivable from parent undertakings are trading balances which are unsecured and non-interest bearing.

The ageing of trade receivables is as follows:

	30 November 2016 £000	26 November 2015 £000
0-30 days	**20,656**	21,213
31-60 days	**1,222**	1,121
60+ days	**8,950**	6,296
Total	**30,828**	28,630

21. Trade and other receivables *(continued)*

Movements on the Group provision for impairment of trade receivables are as follows:

	30 November 2016 £000	26 November 2015 £000
As at 26 November 2015	**3,273**	3,020
Provision for impairment	**1,866**	3,471
Receivables written off during the year as uncollectable	**(213)**	(176)
Unused amounts reversed	**(825)**	(3,203)
Foreign exchange movements	**256**	161
As at 30 November 2016	**4,357**	3,273

22. Cash and cash equivalents

	30 November 2016 £000	26 November 2015 £000
Cash at bank	**102,946**	53,841
Total	**102,946**	53,841

The cash held in bank deposits includes £6.9m (2015: £5.6m) of restricted cash for bank guarantees relating to certain operating sites in Germany and the Netherlands.

23. Trade and other payables

	30 November 2016 £000	26 November 2015 £000
Non-current	**48,455**	50,035
Current	**171,061**	166,238
Total	**219,516**	216,273

	30 November 2016 £000	26 November 2015 £000
Trade payables	**52,224**	52,681
Accrued expenses	**74,684**	69,469
Other payables	**9,388**	9,375
Corporate taxes	**2,565**	2,554
Other taxation and social security	**1,821**	1,514
Deferred income	**78,834**	80,680
Total	**219,516**	216,273

Trade payables are non interest-bearing. Normal settlement terms vary upon the territory of operation.

24. Interest bearing loans and other financial liabilities

This note presents the contractual terms of the Group's interest-bearing loans and other financial liabilities together with details of the Group's exposure to credit, liquidity, interest rate and foreign currency risk.

	30 November 2016 £000	26 November 2015 £000
Non-current		
Interest bearing loans and bank borrowings	**1,353,270**	1,195,924
Finance lease liabilities	**32,881**	32,208
Total	**1,386,151**	1,228,132
Current		
Interest bearing loans and bank borrowings	**-**	192
Finance lease liabilities	**5,978**	4,438
Total	**5,978**	4,630
Total Interest bearing loan and other financial liabilities	**1,392,129**	1,232,762

The terms and conditions of outstanding loans were as follows:

	Current		**Non-Current**		**Total**	
	30 November 2016 £000	26 November 2015 £000	**30 November 2016 £000**	26 November 2015 £000	**30 November 2016 £000**	26 November 2015 £000
Senior secured note - £300m	**-**	-	**295,145**	293,983	**295,145**	293,983
Senior secured note - €360m	**-**	-	**298,211**	244,181	**298,211**	244,181
Senior secured loan - €120m	**-**	-	**99,819**	-	**99,819**	-
External loans	**-**	192	**552**	727	**552**	919
Shareholder loan notes	**-**	-	**660,302**	658,554	**660,302**	658,554
Total	**-**	192	**1,354,029**	1,197,445	**1,354,029**	1,197,637
Less:						
Capitalised issue costs	**-**	-	**(759)**	(1,521)	**(759)**	(1,521)
Total interest bearing loans and borrowings	**-**	192	**1,353,270**	1,195,924	**1,353,270**	1,196,116
Finance lease liabilities	**5,978**	4,438	**32,881**	32,208	**38,859**	36,646
Total interest bearing loans and borrowings	**5,978**	4,630	**1,386,151**	1,228,132	**1,392,129**	1,232,762

24. Interest bearing loans and other financial liabilities *(continued)*

Revolving credit facility

The Group is able to draw on a £60m multicurrency revolving credit and overdraft facility with Lloyds Bank plc. On 1 July 2016, the facility was increased from £50m to £60m. At 30 November 2016 there were no drawings on the facility (2015: nil). The facility is available until 8 August 2019. The facility bears interest at LIBOR, EURIBOR, CIBOR (Denmark) or WIBOR (Poland) depending on the currency drawn down plus a margin of 3.50%. On 30 June 2016, local Italian bank facilities of €15m expired.

Senior secured notes

Senior secured floating rate euro denominated notes of €290m were issued on 18 July 2013 with a termination date of 15 July 2020. Interest is floating at three month EURIBOR plus a margin of 525 bps. Interest is payable on a quarterly basis. An Original Issue Discount fee (OID) of €1.2m (£1.0m) was paid on the date of issue of the notes.

A further €70m issue of the senior secured floating rate euro denominated notes occurred on 11 November 2014 with the same terms as the previous notes. The termination date is 15 July 2020. Interest is floating at three month EURIBOR plus a margin of 525 bps and is payable on a quarterly basis. An Original Issue Discount fee (OID) of €1.8m (£1.4m) was paid on the date of issue of the notes. Senior secured fixed rate sterling denominated notes of £300m were issued on 18 July 2013 with a termination date of 15 July 2020. Interest is fixed at 7.875% and payable on a semi-annual basis.

A senior secured floating rate euro denominated term loan of €120m was issued on 29 July 2016. Interest is floating at three month EURIBOR plus a margin of 550 bps. Interest is payable on a quarterly basis. An Original Issue Discount Fee (OID) of €0.6m (£0.5m) was paid on the date of issue of the loan. This loan is repayable on 29 July 2023.

Shareholder loan notes

Shareholder loans bear interest of 11.0% and have a termination date of 9 August 2033. Early repayment can be requested but not before the termination of the senior secured notes.

Security

The senior secured notes and revolving credit facility are secured by cross guarantees and charges over certain of the Group's shares and assets.

Capitalised issue costs

Costs incurred in issuing the senior debt and the credit facility are capitalised and are allocated to the income statement over the life of the related debt facility. At 30 November 2016 borrowings are stated net of unamortised issue costs of £16.6m (2015: £14.5m).

External loans

External loans relate to loans from the German Federal Film Fund (FFA). These loans have a variety of maturity dates with the last due to be repaid in 2022.

24. Interest bearing loans and other financial liabilities *(continued)*

Finance lease liabilities

The maturity of obligations under finance leases is as follows:

Minimum amounts payable under finance leases:	**30 November 2016 £000**	26 November 2015 £000
- within one year	**9,235**	7,481
- in two to five years	**30,206**	28,128
- over 5 years	**13,250**	15,481
Total	**52,691**	51,090
Less finance charges on finance lease liabilities	**(13,832)**	(14,444)
Present value of lease obligations	**38,859**	36,646

25. Derivatives

The Group has the following derivative financial instruments:

	30 November 2016		26 November 2015	
	£000	**£000**	£000	£000
	Asset	**Liability**	Asset	Liability
Interest rate swaps	-	-	-	1,527
Total	-	-	-	1,527

On 8 August 2013 the Company entered into two swaps with Lloyds Bank plc (Lloyds) and Nomura International plc (Nomura) to hedge the interest rate on the senior secured floating rate notes. Under the Lloyds swap the Company paid a fixed interest rate of 1.147% above a fixed EURIBOR value while under the Nomura swap the Company paid a fixed interest rate of 1.027% above a fixed EURIBOR value.

The liability balance for Lloyds and Nomura interest swaps as at 30 November 2016 was nil (2015: £0.8m) and nil (2015: £0.7m) respectively. Both swaps had a notional value of €115.9m and expired on 15 July 2016.

26. Share-based payments

Vue International Holdco Limited operates one senior executive share based payment scheme. The plan was established on 8 August 2013 at which date 1,000,000 ordinary "D" shares were authorised for issue to the scheme.

At the balance sheet date 1,000,000 (2015: 1,000,000) shares had been issued to members of the scheme or to an Employee Benefit Trust. Of this number, 717,500 shares which were allotted in 2013 are subject to put options which start to become exercisable after 5.5 years of continuous service or on a change of the ultimate controlling parties of Vue International Holdco Limited if this occurs earlier. The remaining D shares which were allotted in 2015 are not subject to put options and vest over a period of 3 years from the date of the commencement of employment of the relevant individuals.

26. Share-based payments *(continued)*

The scheme is accounted for in accordance with IFRS 2 'Share-based Payment' as an equity settled share based payment scheme. The fair value of this benefit as at the 8 August 2013 grant date is being expensed evenly to the income statement over the vesting period with a corresponding increase in equity.

The charge booked to the income statement was £2.1m (2015: £2.1m). The charge has been fully passed down from Vue International Holdco Limited to the Group as the employment services provided by the beneficiaries of the share based payment scheme are for the benefit of the Group.

27. Provisions

Analysis of total provisions:	**30 November 2016**	26 November 2015
	£000	£000
Current	**987**	288
Non-Current	**102,273**	116,015
Total	**103,260**	116,303

	Property provisions	**Jubilee retirement**	**Other provisions**	**Total**
	£000	**£000**	**£000**	**£000**
At 26 November 2015	114,294	1,721	288	**116,303**
Additions during year	-	77	824	**901**
Released during the year	(9,007)	(125)	(185)	**(9,317)**
Unwound during the year	(5,845)	-	-	**(5,845)**
Foreign exchange movement	790	368	60	**1,218**
At 30 November 2016	**100,232**	**2,041**	**987**	**103,260**

Property provisions

Property provisions relate to onerous leases, dilapidations and other property liabilities. The remaining provision will be utilised over the period to the next rent review date or the remaining lease life depending on the terms of the lease. The discount rate used in the period was 8.7% (2015: 8.9%).

Jubilee retirement provision

This provision is for one-off payments to Italian employees upon retirement as required by Italian law. The provision is calculated by local Italian actuaries annually with reference to assumptions on final salary, employee movements and inflation rates. Actuarial gains and losses are expensed through the income statement with the provision being discounted at the Italian actuarial rate.

28. Financial instruments

(a) Fair value of financial instruments

Fair value hierarchy

The carrying values of each class of financial assets and liabilities are considered to be the fair value amounts at balance sheet date.

The Group analyses financial instruments carried at fair value using various valuation methods. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices include within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable input)

The Group does not have any level 3 financial instruments.

	30 November 2016		
Assets per the balance sheet			
Group	**Loans and receivables £000**	**Assets at fair value through profit and loss £000**	**Total £000**
Trade and other receivables excluding prepayments	**41,042**	**-**	**41,042**
Cash and cash equivalents	**102,946**	**-**	**102,946**
Total	**143,988**	**-**	**143,988**

Liabilities per the balance sheet			
Group	**Liabilities at fair value through profit and loss £000**	**Other financial liabilities at amortised cost £000**	**Total £000**
Borrowings (excluding finance lease liabilities)	**-**	**1,353,270**	**1,353,270**
Finance lease liabilities	**-**	**38,859**	**38,859**
Derivative financial instruments	**-**	**-**	**-**
Trade and other payables excluding non-financial liabilities	**-**	**140,682**	**140,682**
Total	**-**	**1,532,811**	**1,532,811**

28. Financial instruments *(continued)*

(a) Fair value of financial instruments *(continued)*

Fair value hierarchy *(continued)*

	26 November 2015		
Assets per the balance sheet Group	Loans and receivables £000	Assets at fair value through profit and loss £000	Total £000
Trade and other receivables excluding prepayments	43,553	-	43,553
Cash and cash equivalents	53,841	-	53,841
Total	97,394	-	97,394

Liabilities per the balance sheet Group	Liabilities at fair value through profit and loss £000	Other financial liabilities at amortised cost £000	Total £000
Borrowings (excluding finance lease liabilities)	-	1,196,116	1,196,116
Finance lease liabilities	-	36,646	36,646
Derivative financial instruments	1,527	-	1,527
Trade and other payables excluding non-financial liabilities	-	135,593	135,593
Total	1,527	1,368,355	1,369,882

Trade and other receivables

Trade and other receivables are carried at recoverable amount, less provisions for any amount where recovery is doubtful. All trade and other receivables are expected to be short term and therefore no discounting of future cash flow is required.

Cash and cash equivalents

The fair value of cash and cash equivalents is estimated at its carrying amount.

Interest-bearing borrowings and finance lease liabilities

Fair value, which, after initial recognition is determined for disclosure purposes only, is calculated based on the expected future cash outflows.

Derivative financial instruments

Interest swap contracts are valued using information and estimates from financial institutions.

The fair value of the interest rate swap is based on the broker quotes. The interest rate swap is a Level 2 fair value instrument in terms of the fair value hierarchy.

28. Financial instruments *(continued)*

Trade and other payables

Trade and other payables are carried at the face value of the payable. All trade and other payables are expected to be short term and therefore no discounting of future cash flow is required. The fair value of trade and other payables approximate the carrying value.

(b) Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions and from the Group's receivables from customers.

The Group seeks to ensure that the banks used for the financing of the loan facilities and hedging purposes have an acceptable credit rating by independent credit rating agencies.

The Group's operations are principally retail and so the exposure to credit risk is minimal. The Group periodically reviews its receivables and makes appropriate allowances where recovery is deemed to be doubtful.

(c) Liquidity risk

Liquidity risk is risk that the Group will not be able to meet its financial obligations as they fall due.

The Directors believe that the Group will be able to continue to meet its need for liquidity from the Group's existing cash balances and facilities. The Group monitors its headroom monthly, forecasts its cash flow on a monthly basis for approximately a year ahead, and monitors its financing agreements on a monthly basis to ensure that there are no unforeseen liquidity issues.

(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Market risk – foreign currency risk

The Group has operations in Ireland, Continental Europe and Taiwan where businesses buy and sell goods and services in their local currencies rather than pounds sterling. As a result, the value of the Group's non-sterling revenues, purchases, financial assets and liabilities, and cash flows can be affected by movements in exchange rates. The majority of foreign operations income and expenditure are within the functional currency of the foreign operator providing natural hedging in these currencies. The Board does not consider there to be any significant unmitigated foreign currency risk in relation to the Group's pre-tax result.

28. Financial instruments *(continued)*

Sensitivity analysis

In managing currency risks, the Group aims to reduce the impact of short-term fluctuations on the Company and foreign Group's earnings. Over the longer term, however, permanent changes in foreign exchange rates would have an impact on consolidated earnings. This impact would be mitigated by many factors both internal and external, making it impossible to estimate the size of that impact. A change of 10 Euro cents in foreign exchange rates applied to the Group's borrowings as at balance sheet date would increase or decrease profit or loss for a full year by £3.46m and £3.52m respectively. Due to the natural hedge inbuilt in the Group operations any movements in Euro denominated earnings are offset by movements in the Euro denominated borrowings.

Market risk – interest rate risk

At the balance sheet date the interest rates for the Group's interest-bearing financial instruments are as described in note 24.

Two swaps expired during the year, one with Lloyds Bank plc and one with Nomura International plc. Although no new swaps have been entered into the directors continue to monitor the exposure on an ongoing basis and may put new interest rate swaps in place in the future.

The fair value of interest rate swaps is the estimated amount that the Group would receive or pay to terminate the swap at the balance sheet date, taking into account current interest rates and the current creditworthiness of the swap counterparties.

Sensitivity analysis

A change of 100 basis points in interest rates applied to the Group's borrowings as at the balance sheet date would increase or decrease profit or loss for a full year by £0.5m.

(e) Capital management

The Group's objective when managing capital is to enable the ongoing trade and expansion of its operations and to safeguard its ability to continue as a going concern in order to provide returns for shareholders, provide benefits for the other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

The Directors look to optimise the debt and equity balance and to maintain adequate liquidity. There were no changes in the Group's approach to capital management during the year. The funding requirements of the Group are met by cash generated from operations and access to external borrowings.

29. Share capital

	30 November 2016	26 November 2015
Allotted, issued and fully paid	**£000**	£000
4,718,100 Ordinary shares of £1 each (2015: £1 each)	**4,718**	4,718
Total	**4,718**	4,718

The Company has one class of ordinary shares which carry no right to fixed income.

30. Subsidiaries, joint ventures and associates

The Group, headed by Vue International Bidco plc, is incorporated in the UK and holds a number of subsidiaries and associates directly and indirectly which operate and are incorporated around the world.

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in subsidiary undertakings do not differ from the voting rights held. This note lists all related undertakings of the Group. Information about the composition of the Group at the end of the reporting period is as follows:

Name of undertaking	Country of registration	Proportion of shares held (ordinary shares)	Address of registered office
Direct subsidiary undertakings			
Vue Entertainment International Limited	Jersey	100%	44 Esplanade, St Helier, Jersey, JE4 9WG
Indirect subsidiary undertakings			
Vue Holdings (Jersey) Limited	Jersey	100%	44 Esplanade, St Helier, Jersey, JE4 9WG
A3 Cinema Limited	UK	100%	10 Chiswick Park 566 Chiswick High Road London, W4 5XS
Apollo Cinemas Limited	UK	100%	
Aurora Cinema Limited	UK	100%	
Aurora Cinemas (Ireland) Limited	UK	100%	
Aurora Holdings Limited	UK	100%	
SBC Portugal Limited	UK	100%	
Shake UK Newco Limited	UK	100%	
Ster Century (UK) Limited	UK	100%	
Treganna Bidco Limited	UK	100%	
Tulip UK NewCo	UK	100%	

30. Financial instruments *(continued)*

Name of undertaking	Country of registration	Proportion of shares held (ordinary shares)	Address of registered office
Indirect subsidiary undertakings			
Vue Booking Services Limited	UK	100%	10 Chiswick Park 566 Chiswick High Road London, W4 5XS
Vue Cinemas (UK) Limited	UK	100%	
Vue Cinemas Limited	UK	100%	
Vue Entertainment Limited	UK	100%	
Vue Entertainment Holdings Limited	UK	100%	
Vue Entertainment Holdings (UK) Limited	UK	100%	
Vue Entertainment Investment Limited	UK	100%	
Vue Holdings (UK) Limited	UK	100%	
Vue Properties Limited	UK	100%	
Vue Services Limited	UK	100%	
Vue Theatres (UK) Limited	UK	100%	
Shake Irish Finco	Ireland	100%	70 Sir John Rogerson's Quay, Dublin 2, Ireland
The Space Cinema 1 SpA	Italy	100%	Piazza Augusto Imperatore, 3 - 00186 – Roma Italy
The Space Cinema 2 SpA	Italy	100%	
The Space Cinema 4 S.r.l	Italy	100%	
The Space Cinema 3 S.r.l	Italy	100%	Via Breda, 11 - 35010 - Limena (PD) Italy
The Space Cinema 5 S.r.l	Italy	100%	
The Space Cinema 6 S.r.l	Italy	100%	
The Space Cinema 7 S.r.l	Italy	100%	
The Space Entertainment SpA	Italy	100%	Via Pietro Mascagni, 14 - 20122 – Milano Italy
Capitolosette S.r.l	Italy	100%	
SBC Italia Srl	Italy	100%	Via Cristoforo Colombo, 80 00147 – Roma Italy
Vue Beteiligungs GmbH	Italy	100%	Valentinskamp 18-20 20354 Hamburg Germany
Vue Italy SpA	Italy	100%	Via Monte Rosa, 91 - 20149 - Milano Italy
CinemaxX Cinema GmbH & Co. KG	Germany	100%	Valentinskamp 18-20 20354 Hamburg Germany
CinemaxX Cinetainment GmbH	Germany	100%	
CinemaxX Enterntainment GmbH & Co. KG	Germany	100%	
CinemaxX Entertainment Verwaltungsgesellschaft mbH	Germany	100%	
CinemaxX Holdings GmbH	Germany	100%	
CinemaxX MaxXtainment GmbH	Germany	75%	
CinemaxX Movietainment GmbH	Germany	100%	

30. Financial instruments *(continued)*

Name of undertaking	Country of registration	Proportion of shares held (ordinary shares)	Address of registered office
Indirect subsidiary undertakings			
UFA Theatre GmbH	Germany	10%	c/o FREO Financial & Real Estate Operations GmbH, Goetheplatz 1, 60313, Frankfurt/ Main, Germany
Cineplex GmbH Mannheim & Co	Germany	10%	P4, 13, 68161, Mannheim, Germany
Multiplex-Kino GmbH & Co. Objekt Veithshöchheimer Straße KG, Leipzig	Germany	6%	Valentinskamp 18-20, 20354 Hamburg, Germany
Multikino Media Sp. z o.o.	Poland	100%	Przeskok 2 00-032 Warsaw Poland
Multikino S.A.	Poland	100%	
Vue Movie Distribution Sp.z o.o	Poland	100%	
Winslow sp. z.o.o	Poland	100%	ul. Nowogrodzka 50 00-695 Warsaw Poland
SIA Multikino Latvia	Latvia	100%	Mūkusalas iela 71, Rīga, LV-1004 Latvia
UAB Multikino Lietuva	Lithuania	100%	J.Jasinskio str. 16B, Vilnius, Lithuania
Spean Bridge Luxembourg Srl	Luxembourg	100%	49 boulevard du Prince Henri Luxembourg
Spean Bridge Luxembourg Investments Srl	Luxembourg	100%	
Spean Bridge Taiwan Srl	Luxembourg	100%	
CinemaxX Danmark A/S	Denmark	95%	Kalvebod Brygge 57 1560 Copenhagen V. Denmark
SBC Taiwan Limited	Taiwan	100%	14F 116 Nanking East Road Section 2 Taipei 104 Taiwan
Spean Bridge Cinemas (Algarve) Lda	Portugal	100%	Avenida da Liberdade, n.º 224, Coração de Jesus, 1250-148 Lisboa, Portugal

30. Financial instruments *(continued)*

Name of undertaking	Country of registration	Proportion of shares held (ordinary shares)	Address of registered office
Indirect subsidiary undertakings			
Vue Nederland B.V.	Netherlands	100%	Danzigerkade 2D 1013 AP Amsterdam Netherlands
Vue Cinemas B.V.	Netherlands	100%	
Vue Kerkrade B.V.	Netherlands	100%	
Vue Deventer B.V.	Netherlands	100%	
Vue Steenwijk B.V.	Netherlands	100%	
Vue Meppel B.V.	Netherlands	100%	
Vue Hoogeveen B.V.	Netherlands	100%	

Joint ventures and associates

Name of undertaking	Country of registration	Proportion of shares held (ordinary shares)	Address of registered office
Joint Ventures			
Red Carpet Cinema Communication Verwaltungs GmbH	Germany	50%	Valentinskamp 18-20 20354 Hamburg Germany
Red Carpet Cinema Communication GmbH & Co. KG	Germany	50%	
Associates			
Kino.dk A/S	Denmark	26%	Kalvebod Brygge 57, 1560 Copenhagen V., Denmark

31. Non-controlling interests

Non-controlling interests of £150k (2015: £111k) relates to a 5% holding in CinemaxX Danmark A/S. The movement from 2016 reflects the profit for the year attributable to the non-controlling interests.

32. Commitments

(a) Capital commitments

At 30 November 2016 the Group and Company had capital commitments as follows:

	30 November 2016 £000	26 November 2015 £000
Contracted for but not provided in these financial statements	**16,061**	10,535
Total	**16,061**	10,535

32. Commitments *(continued)*

(b) Operating lease commitments

The Group's future minimum lease payments under non-cancellable operating leases are as follows:

	30 November 2016 £000	26 November 2015 £000
No later than 1 year	**157,239**	132,262
Later than one year and no later than 5 years	**563,200**	487,713
Later than 5 years	**665,984**	680,410
Total	**1,386,423**	1,300,385

33. Cash flow statement

	Year ended 30 November 2016	(1) (2) Restated Period ended 26 November 2015
Operating profit before tax	**69,496**	67,345
Adjustment for:		
Depreciation	**52,642**	48,065
Amortisation	**2,184**	1,212
Impairment charge	**8,382**	1,973
Decrease in provisions	**(8,101)**	(8,129)
Decrease / (increase) in inventories	**918**	(705)
Decrease in trade receivables	**5,959**	6,124
(Decrease) / increase in trade payables	**(25,781)**	(772)
Shared based payment (non cash)	**2,055**	2,055
Other non cash credits	**(1,518)**	(470)
Cash generated from operations	**106,236**	116,698
Income taxes paid	**(8,562)**	(7,049)
Net cash inflow from operating activities	**97,674**	109,649

(1) Restated to include the results of the acquisition of Jogchem's Theaters B.V. in August 2015 (refer to note 3.1).
(2) Restated to include IFRS transition adjustments (refer to note 38).

34. Contingent liabilities

The Group did not have any contingent liabilities as at 30 November 2016 (2015: nil).

35. Events after post balance sheet date

There have been no significant events after the end of the reporting period that would require disclosure or adjustment to the financial statements.

36. Related party transactions

The Company is party to a management services agreement with OMERS Private Equity Inc., PE12GV (Artist) Ltd. and PE12PX (Artist-Management) Ltd, as service providers. Each service provider provides corporate finance, strategic corporate planning and other services. Annual fees of £0.4m plus applicable expenses are paid by the Company for these services. During the year the full fees of £0.4m (2015: £0.4m) were paid post year end.

37. Ultimate parent company and controlling party

At 30 November 2016, the immediate parent undertaking of the Company is Vue International Midco Limited (formerly known as Vougeot Midco Limited).

This set of financial statements, with the Company as parent undertaking, is the smallest group of undertakings for which consolidated Group financial statements are drawn up and publicly available.

At 30 November 2016, Vue International Holdco Limited (formerly known as Vougeot Holdco Limited), a company incorporated in Jersey, is the parent undertaking of the largest Group in which the results of the Company are consolidated. The consolidated financial statements of Vue International Holdco Limited are publicly available and may be obtained from Vue International Holdco Limited, 44 Esplanade, St Helier, Jersey, JE4 9WG.

At 30 November 2016, the ultimate controlling party is Vue International Holdco Limited, an investment vehicle for OMERS Administration Corporation and certain clients of Alberta Investment Management Corporation.

38. First-time adoption of IFRS

The Group has prepared financial statements which comply with IFRS, applicable for periods ending on or after 30 November 2016, together with comparative period data as at, and for the period ended, 26 November 2015 as described in the accounting policies. In preparing these financial statements the Group's opening balance sheet was prepared as at 28 November 2014, the Group's date of transition to IFRS and this note explains the principal adjustments made by the Group in restating its UK GAAP balance sheet as at 28 November 2014.

Exemptions applied

IFRS 1 – First time adoption of International Reporting Standards permits certain optional exemptions from full retrospective application of IFRS accounting policies and the following options have been adopted as at the date of transition:

- Business combinations prior to date of transition have not been restated based on IFRS principles.

Group reconciliation of equity as at 28 November 2014:	**UK GAAP As at 28 November 2014**						**IFRS adjustments**					**IFRS As at 28 November 2014**
	Note	**A, B**	**G**	**K**	**C**	**D**	**E**	**L**	**F**	**I**	**J**	
	Restated											**Restated**
	£000											**£000**
Assets												
Non-current assets												
Property, plant and equipment	366,702	-	(7,061)	(44)	20,941	-	-	-	-	-	-	**380,538**
Intangible assets	766,404	8,137	7,061	-	-	-	(1,645)	-	-	-	-	**779,957**
Deferred tax asset	27,345	-	-	-	-	-	-	-	-	-	17,242	**44,587**
Investments	176	-	-	-	-	-	-	-	-	-	-	**176**
Trade and other receivables	-	-	-	-	2,816	-	-	-	-	-	-	**2,816**
Total non-current assets	1,160,628	8,137	-	(44)	23,757	-	(1,645)	-	-	-	17,242	**1,208,074**
Current assets												
Inventories	4,382	-	-	-		-	-	-	-	-	-	**4,382**
Trade and other receivables	66,250	-	-	-	(209)	-	-	-	-	-	-	**66,041**
Cash and cash equivalents	61,349	-	-	-		-	-	-	-	-	-	**61,349**
Total current assets	131,981	-	-	-	(209)	-	-	-	-	-	-	**131,772**
Total assets	1,292,609	8,137	-	(44)	23,548	-	(1,645)	-	-	-	17,242	**1,339,846**
Current liabilities												
Trade and other payables	156,931	-	-	-	162	-	-	-	-	8	2,401	**159,502**
Interest-bearing loans, borrowings other liabilities	51,043	-	-	-	-	-	-	-	-	(30)	-	**51,013**
Provisions	488	-	-	-	-	-	-	-	-	-	-	**488**
Derivative financial instruments	-	-	-	-		3,213	-	-	-	-	-	**3,213**
Total current liabilities	208,462	-	-	-	162	3,213	-	-	-	(22)	2,401	**214,216**
Non-current liabilities												
Trade and other payables	48,226	-	-	-	-	-	-	(593)	-	-	-	**47,633**
Interest-bearing loans, borrowings other liabilities	1,106,450	-	-	-	40,252	-	-	-	(2,130)	40	-	**1,144,612**
Provisions	41,502	-	-	-	-	-	-	79,034	-	-	-	**120,536**
Deferred tax liability	-	-	-	-	-	-	-	-	-	-	4,452	**4,452**
Total non-current liabilities	1,196,178	-	-	-	40,252	-	-	78,441	(2,130)	40	4,452	**1,317,233**
Total liabilities	1,404,640	-	-	-	40,414	3,213	-	78,441	(2,130)	18	6,853	**1,531,449**
Net liabilities	(112,031)	8,137	-	(44)	(16,866)	(3,213)	(1,645)	(78,441)	2,130	(18)	10,389	**(191,603)**
Equity												
Share capital	4,718	-	-	-	-	-	-	-	-	-	-	**4,718**
Foreign currency translation reserve	(17,050)	-	-	-	-	-	-	-	-	-	-	**(17,050)**
Share based payment reserve	2,688	-	-	-	-	-	-	-	-	-	-	**2,688**
Retained earnings	(102,440)	8,137	-	(44)	(16,866)	(3,213)	(1,645)	(78,443)	2,130	(18)	10,389	**(182,009)**
Equity attributable to owners of the parent	(112,083)	8,137	-	(44)	(16,866)	(3,213)	(1,645)	(78,443)	2,130	(18)	10,389	**(191,654)**
Non-controlling interests	51	-	-	-	-	-	-	-	-	-	-	**51**
Total equity	(112,032)	8,137	-	(44)	(16,866)	(3,213)	(1,645)	(78,443)	2,130	(18)	10,389	**(191,603)**

Vue International Bidco plc

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2016

Group reconciliation of equity as at 26 November 2015:	(1) UK GAAP As at 26 November 2015		IFRS adjustments									IFRS As at 26 November 2015
	Note Restated £'000	2014 impact	A	G	C	D	E	F	H	I	J	Restated £'000
Assets												
Non-current assets												
Property, plant and equipment	338,629	13,836	-	1,302	(2,720)	-	-	-	-	(1,908)	-	**349,139**
Intangible assets	767,794	13,553	40,191	(1,502)	-	-	(830)	-	-	917	-	**820,123**
Investments	430		-	-	-	-	-	-	-	-	-	**430**
Deferred tax asset	25,991	17,241	-	-	90	-	-	-	-	(179)	(4,862)	**38,281**
Trade and other receivables	-	2,816	-	-	(29)	-	-	-	-	(371)	-	**2,416**
Total non-current assets	1,132,844	47,446	40,191	(200)	(2,659)	-	(830)	-	-	(1,541)	(4,862)	**1,210,389**
Current assets		-										
Inventories	5,041	-	-	-	-	-	-	-	-	-	-	**5,041**
Trade and other receivables	63,952	(209)	-	-	(158)	-	-	-	(125)	30	-	**63,490**
Cash and cash equivalents	53,841	-	-	-	-	-	-	-	-	-	-	**53,841**
Total current assets	122,834	(209)	-	-	(158)	-	-	-	(125)	30	-	**122,372**
Total assets	1,255,678	47,237	40,191	(200)	(2,817)	-	(830)	-	(125)	(1,511)	(4,862)	**1,332,761**
Current liabilities		-										
Trade and other payables	163,854	2,570	-	-	(17)	-	-	-	(151)	(18)	-	**166,238**
Interest-bearing loans, borrowings other liabilities	4,630	(30)	-	-	-	-	-	-	27	3	-	**4,630**
Provisions	288	-	-	-	-	-	-	-	-	-	-	**288**
Derivative financial instruments	-	3,213	-	-	-	(1,686)	-	-	-	-	-	**1,527**
Total current liabilities	168,772	5,753	-	-	(17)	(1,686)	-	-	(124)	(15)	-	**172,683**
Non-current liabilities		-										
Trade and other payables	50,518	(592)	-	-	109	-	-	-	-	-	-	**50,035**
Interest-bearing loans, borrowings other liabilities	1,196,554	38,162	-	-	(3,232)	-	-	1,102	-	(4,454)	-	**1,228,132**
Provisions	39,119	79,034	-	-	(1,740)	-	-	-	49	(447)	-	**116,015**
Deferred tax liability	-	4,450	-	-	-	-	-	-	-		(865)	**3,585**
Total non-current liabilities	1,286,191	121,054	-	-	(4,863)	-	-	1,102	49	(4,901)	(865)	**1,397,767**
Total liabilities	1,454,963	126,807	-	-	(4,880)	(1,686)	-	1,102	(75)	(4,916)	(865)	**1,570,450**
Net liabilities	(199,285)	(79,570)	40,191	(200)	2,063	1,686	(830)	(1,102)	(50)	3,405	(3,997)	**(237,689)**
Equity		-										
Share capital	4,718	-	-	-	-	-	-	-	-	-	-	**4,718**
Foreign currency translation reserve	(45,541)	-	-	-	-	-	-	-	-	3,405	-	**(42,134)**
Share based payment reserve	4,743	-	-	-	-	-	-	-	-	-	-	**4,743**
Retained earnings	(163,316)	(79,570)	40,191	(200)	2,063	1,686	(830)	(1,102)	(50)	-	(3,997)	**(205,127)**
Equity attributable to owners of the parent	(199,396)	(79,570)	40,191	(200)	2,063	1,686	(830)	(1,102)	(50)	3,405	(3,997)	**(237,800)**
Non-controlling interests	111	-	-	-	-	-	-	-	-	-	-	**111**
Total equity	(199,285)	(79,570)	40,191	(200)	2,063	1,686	(830)	(1,102)	(50)	3,405	(3,997)	**(237,689)**

(1) Restated to include the results of the acquisition of Jogchem's Theaters B.V. in August 2015 (refer to note 3.1).

Vue International Bidco plc

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2016

Group reconciliation of income statement for period ended 26 November 2015:	(1) UK GAAP As at 26 November 2015	IFRS adjustments										IFRS As at 26 November 2015
	Note	A	G	C	L	D	E	F	H	I	J	
	Restated £000											Restated £000
Revenue	707,043	-	-	-	-	-	-	-	-	-	-	**707,043**
Cost of sales	(269,844)	-	-	-	-	-	-	-	-	-	-	**(269,844)**
Gross profit	437,199	-	-	-	-	-	-	-	-	-	-	**437,199**
Total operating expenses	(414,409)	40,192	(200)	3,656	1,737	-	(830)	-	-	-	-	**(369,854)**
Operating profit	22,790	40,192	(200)	3,656	1,737	-	(830)	-	-	-	-	**67,345**
Finance income	187	-	-	-	-	-	-	-	-	-	-	**187**
Finance expenses	(74,737)	-	-	(3,422)	-	1,686	-	(1,101)	-	-	-	**(77,574)**
Net finance costs	(74,550)	-	-	(3,423)	-	1,686	-	(1,101)	-	-	-	**(77,387)**
Loss before income tax	(51,760)	40,192	(200)	233	1,737	1,686	(830)	(1,101)	-	-	-	**(10,042)**
Income tax expense	(9,119)	-	-	90	-	-	-	-	-	-	(3,995)	**(13,024)**
Loss of the year	(60,879)	40,192	(200)	323	1,737	1,686	(830)	(1,101)	-	-	(3,995)	**(23,066)**
Loss attributale to:												
- Owners of the parent	60,819	(40,192)	200	(323)	(1,737)	(1,686)	830	1,101	-	-	3,995	**23,006**
- Non-controlling interests	60	-	-	-	-	-	-	-	-	-	-	**60**
Loss of the year	**60,879**	**(40,192)**	**200**	**(323)**	**(1,737)**	**(1,686)**	**830**	**1,101**	-	-	**3,995**	23,066

Group reconciliation statement of other comprehensive income for period ended 26 November 2015:	**Note**	**A**	**G**	**C**	**D**	**D**	**E**	**F**	**H**	**I**	**J**	
Loss for the year	60,879											**23,066**
Items that will not subsequently be reclassified to profit or loss												
Net remeasurement gain/(loss) on retirement benefit obligations	-	-	-	-	-	-	-	-	49	-	-	**51**
Items that may be subsequently be reclassified to profit or loss												
Translation (gains) / losses on net investments	28,489	-	-	-	-	-	-	-	-	(3,405)	-	**25,084**
Other comprehensive income loss for the year, net of income tax	28,489	-	-	-	-	-	-	-	49	(3,405)	-	**25,135**
Total comprehensive loss for the year	89,369	-	-	-	-	-	-	-	49	(3,405)	-	**48,201**
Attributable to:												
- Owners of the parent	89,309	-	-	-	-	-	-	-	-	-	-	**48,141**
- Non-controlling interests	60	-	-	-	-	-	-	-	-	-	-	**60**

(1) Restated to include the results of the acquisition of Jogchem's Theaters B.V. in August 2015 (refer to note 3.1).

38. First-time adoption of IFRS *(continued)*

Explanations of adjustments:

(A) Reversal of goodwill amortisation

Under UK GAAP, goodwill was amortised over its expected useful life being 20 years. Under IFRS 3 Business Combinations, goodwill is considered to have an indefinite useful life and is not amortised, but is subject to annual impairment testing.

(B) Write off of negative goodwill

Negative goodwill previously recognised under UK GAAP has been written off to retained earnings in line with IFRS 3 Business Combinations. Under IFRS, a bargain purchase represents an economic gain that should immediately be recognised in the income statement.

(C) Recognition of finance leases

Certain leases have been reclassified from operating to finance on transition to IFRS. The value of the leased assets has been recognised as property, plant and equipment and is depreciated over the useful economic lives of the assets.

(D) Recognition of interest rate swaps

Historically the Group used interest rate swaps to hedge interest costs in respect of the senior secured floating rate notes. Under IAS 39 Financial Instruments Recognition and Measurement the interest rate swaps are measured at fair value at each balance sheet date. The Group has not applied hedge accounting for these swaps and accordingly the change in the fair value of the swaps has been recognised directly through the income statement.

(E) Write off of capitalised transaction costs

Acquisition related transaction costs were previously capitalised under UK GAAP but have been expensed under IFRS.

(F) Bond valuation adjustment

Under UK GAAP, senior secured notes were held on the balance sheet at their issued amount net of unamortised issue costs. These have been re-measured on an amortised cost basis (using an effective interest method) in line with IAS 39 Financial Instruments: Recognition and Measurement.

(G) Acquisitions, intangibles and software

IFRS 3 Business Combinations requires that, in a business combination, the acquirer should recognise an identifiable intangible asset if its fair value can be reliably measured. Advertising and customer relationships arising from acquisitions were allocated from goodwill and separately identified as intangible assets and these were then amortised over their useful economic lives. Items of software previously recorded as property, plant and equipment are now recorded in intangible assets.

38. First-time adoption of IFRS *(continued)*

Explanations of adjustments *(continued)*:

(H) Other adjustments

These adjustments were made to align territories local GAAP to IFRS upon transition.

(I) Foreign exchange differences

These represent exchange differences arising on the retranslation of IFRS adjustments.

(J) Deferred tax impact

The adjustments relating to the recognition of intangible assets on acquisition, deferred rent adjustments, the valuation of bonds and the valuation of interest rate swaps have given rise to the recognition of deferred tax assets/liabilities under IFRS.

(K) Fair value adjustments

In accordance with IFRS fair value accounting has been adopted to adjust the carrying values.

(L) Rent adjustments

IFRS requires that rent free periods and fixed increases in the annual rent are straight lined over the full life of the lease. Under UK GAAP amounts are only recognised up to the first rent review period.

Report on the company financial statements

Our opinion

In our opinion, Vue International Bidco plc's Company financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 30 November 2016;
- 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.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Company balance sheet as at 30 November 2016;
- the Company statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, 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.

We have no exceptions to report arising from this responsibility.

Opinion on other matter prescribed by the Companies Act 2006

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 20, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Other matter

We have reported separately on the Group financial statements of Vue International Bidco plc for the year ended 30 November 2016.

Julian Jenkins (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
20 March 2017

Vue International Bidco plc

COMPANY BALANCE SHEET
AS AT 30 NOVEMBER 2016

	Notes	As at 30 November 2016 £000	(1) Restated As at 26 November 2015 £000
Non-current assets			
Property, plant and equipment		**634**	379
Intangible assets		**291**	-
Deferred tax asset		**105**	296
Investments	**4**	**204,976**	204,976
Total non-current assets		**206,006**	205,651
Current assets			
Trade and other receivables	**5**	**1,154,390**	1,001,659
Cash and cash equivalents		**24,906**	11,283
Total current assets		**1,179,297**	1,012,942
Total assets		**1,385,302**	1,218,593
Current liabilities			
Trade and other payables	**6**	**136,204**	108,156
Derivative financial instruments		**-**	1,527
Total non-current liabilities		**136,204**	109,683
Non-current liabilities			
Interest-bearing loans and borrowings	**7**	**1,352,684**	1,131,642
Trade and other payables		**38**	38
Deferred tax liability		**-**	191
Total current liabilities		**1,352,722**	1,131,871
Total liabilities		**1,488,926**	1,241,555
Net liabilities		**(103,624)**	(22,962)
Equity			
Share capital	**8**	**4,718**	4,718
Share based payment reserve		**6,798**	4,743
Retained losses		**(115,140)**	(32,423)
Total equity		**(103,624)**	(22,962)

(1) Restated to include FRS 101 transition adjustments (refer to note 1).

Vue International Bidco plc

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2016

		Attributable to the equity holders of the company			
		Share capital	Share based payments reserve	Retained earnings	Total equity
	Notes	£000	£000	£000	£000
[(1)] Balance at 27 November 2014		4,718	2,688	(38,852)	(31,446)
Profit for the year		-	-	6,429	6,429
Other comprehensive income for the year		-	-		-
Total comprehensive income for the year		-	-	6,429	6,429
Credit to equity for equity settled share based payments		-	2,055	-	2,055
Balance at 26 November 2015	8	4,718	4,743	(32,423)	(22,962)
Balance at 26 November 2015		**4,718**	**4,743**	**(32,423)**	**(22,962)**
Loss for the year		**-**	**-**	**(82,717)**	**(82,717)**
Other comprehensive income for the year		**-**	**-**	**-**	**-**
Total comprehensive income for the year		**-**	**-**	**(82,717)**	**(82,717)**
Credit to equity for equity settled share based payments		**-**	**2,055**	**-**	**2,055**
Balance at 30 November 2016	**8**	**4,718**	**6,798**	**(115,140)**	**(103,624)**

(1) Restated to include FRS 101 transition adjustments (refer to note 1).

1. Accounting policies

Basis of preparation

The financial statements of the Company have been prepared in accordance with the Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention, as modified by accordance with the Companies Act 2006, as applicable using FRS 101.

The following exemptions from the requirements of IFRS have been applied in these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial instruments: Disclosures'
- Paragraphs 91-99 of IFRS 13,'Fair value measurement' (disclosure of valuation techniques and inputs used for the fair value measurement of assets and liabilities)
- Paragraphs 38 of IAS 1, ' Presentation of financial statements' comparative information requirements in respect of:
  - Paragraph 79 (a)(iv) of IAS 1
  - Paragraph 73(e) of IAS Property, plant and equipment; paragraph 118(e) of IAS 30 Intangible assets (reconciliations between carrying amount at the beginning and end of the period)
- The following paragraphs of IAS 1, ' Presentation of financial statements':
  - 10(d), (statement of cash flows),
  - 10(f), (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements or when it reclassifies items in its financial statements,
  - 16 (statement of compliance with all IFRS),
  - 38A (requirement of minimum two primary statements, including cash flow statements),
  - 38B-D (additional comparative information),
  - 40A-D (requirements for a third statements of financial position),
  - 111 (cash flow statement information), and
  - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

The Group financial statements consolidate the financial statements of the Company and all its subsidiary undertakings drawn up to the year end 30 November 2016. No individual profit or loss account is presented for the Company as permitted by section 408 of the Companies Act 2006.

1. Accounting policies *(continued)*

Transition to FRS 101

This is the first year that the Company has presented its results under FRS 101. The last financial statements for the period ended 26 November 2015 were prepared under UK GAAP. The date of transition to FRS 101 was 28 November 2014.

The change to FRS 101 has resulted in the prior year balance sheet showing a decrease of £2.8m in total equity from £20.2m deficit in accordance with UK GAAP to £23.0m deficit in accordance with IFRS. The income statement shows an increase in the profit for the year of £0.1m from £6.3m to £6.4m.

Going concern

The directors have adopted the going concern basis of preparation in preparing these financial statements. The directors have, at the time of approving the financial statements, a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future.

Investment in subsidiary undertakings

Investments in subsidiaries are held at cost, less any provision for impairment.

Interest-bearing loans, capital and borrowings

Interest-bearing loans, capital and borrowings are initially measured at the fair value of the consideration received net of issue costs associated with the borrowings. After initial recognition, loan capital and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs and any discount or premium on settlement.

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 translated at the rate of exchange ruling at the balance sheet date. All differences are taken to income statement.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Taxation

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

2. Auditors' remuneration

The overall audit fee for the parent Company was by the Group. Refer to note 9 in the consolidated financial statements.

3. Operating loss

The Company made an after tax loss of £82.7m during the year (2015: profit £6.4m).

4. Investments

The movements in investments held by the Company during the year are as follows:

	30 November 2016 £000	26 November 2015 £000
Cost and carrying value	**204,976**	204,976

Refer to note 30 in the consolidated financial statements for list of subsidiaries.

5. Trade and other receivables

	30 November 2016 £000	26 November 2015 £000
Amount due from group undertakings	**1,134,390**	989,123
Prepayments	**119**	49
Other debtors	**19,880**	12,487
Total	**1,154,389**	1,001,659

6. Trade and other payables

	30 November 2016 £000	26 November 2015 £000
Corporation tax payable	**4,108**	4,146
Amount owed to group undertakings	**114,277**	92,519
Accrued expenses	**17,819**	11,491
Total	**136,204**	108,156

Amounts owed to group undertakings are trading balances which are unsecured, repayable on demand and non-interest bearing.

7. Loans and borrowings

	30 November 2016	26 November 2015
	£000	£000
Senior secured notes - £300m	295,145	293,982
Senior secured notes - €360m	298,211	244,181
Senior secured notes - €120m	99,819	-
Shareholder loan notes	660,268	594,295
Total	1,353,443	1,132,458
Less:		
Capitalised issue costs	(759)	(816)
Total	1,352,684	1,131,642

8. Share capital

	30 November 2016	26 November 2015
Allotted, issued and fully paid	£000	£000
4,718,100 Ordinary shares of £1 each (2015: £1 each)	4,718	4,718
Total	4,718	4,718

9. Related parties

The Company has taken advantage of the exemption under IAS 24 available to parent companies not to disclose transactions with its wholly owned subsidiaries within its financial statements.