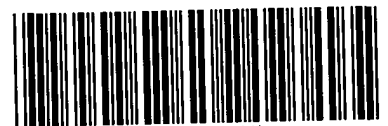


TIME OUT GROUP MC LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2014

WEDNESDAY



A4GKURMJ

A12

23/09/2015

#340

COMPANIES HOUSE

TIME OUT GROUP MC LIMITED

Report and Financial Statements for the year ended 31 December 2014

CONTENTS	Page(s)
Directors and Advisers	2
Strategic Report	3
Directors' Report	4
Independent Auditors' Report	5 - 6
Profit and Loss Account	7
Balance Sheet	8
Notes to the Financial Statements	9 - 13

TIME OUT GROUP MC LIMITED

DIRECTORS AND ADVISERS

DIRECTORS

Peter Dubens
Alex Collins
Matt White

REGISTERED OFFICE

4th Floor
125 Shaftesbury Avenue
London
WC2H 8AD

BANKERS

HSBC
70 Pall Mall
London
SW14 SE2

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH

SOLICITORS

Simons Muirhead & Burton
8-9 Frith Street
London
W1D 3JB

COMPANY NUMBER

07440310

TIME OUT GROUP MC LIMITED

STRATEGIC REPORT

The Directors present their Strategic Report for the Company for the year ended 31 December 2014.

Principal Activity

The company's principal activity in the year under review was that of an intermediate holding company.

Results and Dividend

The results for the year are set out on page 7. The Directors do not recommend the payment of a dividend (2013: £nil).

Principal developments

In September 2014 we combined our UK and US operating groups to put all worldwide operations under the ownership of a single group parent company, overseen by a united global board and management team. As part of this transaction, Time Out Group HC Limited (the Company's parent) acquired its sister operation, the US based Time Out North America group which was previously held under the common majority ownership of Oakley Capital Private Equity LP. At the same date, the Group took the opportunity to restructure and simplify its share capital by capitalising £39.4 million of shareholder debt in the form of new preference equity. As part of this restructure, all of the Company's preference shares were converted to ordinary shares. This is shown in note 12.

Principal Risks and Uncertainties

The Directors consider that the principal risk and uncertainty facing the business is:

Funding

The Directors consider that the Company has sufficient resources and access to funding to develop the business organically at the planned rates of growth. Where opportunities arise for the acquisition of or investment in, new business and associated assets, the Directors will consider carefully whether these should be funded from available resources or from new investment.

Key performance indicators (KPIs)

Due to the straightforward nature of the business, the Company's Directors believe that analysis using KPIs for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the Group, which includes the Company, are discussed on pages 3 to 5 of Time Out Group HC Limited's Report and Financial Statements, which do not form part of this report.

Future developments

The Directors expect the Company to continue operating in the same manner going forward.

This report was approved by the Board of Directors and signed on its behalf by:



Matt White
Director
7 August 2015

TIME OUT GROUP MC LIMITED

DIRECTORS' REPORT

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

Directors

The Directors who served during the year and up to the date of the signing of the financial statements were as follows:

Peter Dubens
Alex Collins
Matt White

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to the Auditors

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

- so far as that director is aware there is no relevant available information of which the Company's auditors are unaware; and
- that director has taken all steps that the director ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Company's auditors were aware of that information.

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

The Directors' Report was approved by the Board of Directors on 19 August 2015 and signed on its behalf by:



Matt White
Director
19 August 2015

TIME OUT GROUP MC LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TIME OUT GROUP MC LIMITED

Report on the financial statements

Our opinion

In our opinion, Time Out Group MC Limited's financial statements (the "financial statements"):

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

What we have audited

The financial statements comprise:

- the balance sheet as at 31 December 2014;
- the profit and loss account 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 applicable law and United Kingdom Accounting Standards (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, 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.

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.

TIME OUT GROUP MC LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TIME OUT GROUP MC LIMITED (continued)

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 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("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 Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Sam Taylor (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
19 August 2015

TIME OUT GROUP MC LIMITED

PROFIT AND LOSS ACCOUNT for the year ended 31 December 2014

	Note	2014 £	Restated 2013 £
Interest receivable and similar income	3	3,502,426	2,832,138
Interest payable and similar charges	4	<u>(2,548,661)</u>	<u>(2,832,138)</u>
Profit on ordinary activities before taxation		953,765	-
Tax on ordinary activities	6	-	-
Profit for the financial year	12	<u>953,765</u>	<u>-</u>

The results are derived entirely from continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

The notes on pages 9 to 13 form part of these financial statements.

TIME OUT GROUP MC LIMITED

BALANCE SHEET as at 31 December 2014

	Note	2014 £	Restated 2013 £
Fixed assets			
Investments	7	36,234,000	25,834,000
Current assets			
Debtors: amounts receivable within one year	8	11,475,252	7,972,825
Creditors: amounts falling due within one year	9	(3,183,457)	(5,127,030)
Net current assets		<u>8,291,795</u>	<u>2,845,795</u>
Total assets less current liabilities		<u>44,525,795</u>	<u>28,679,795</u>
Creditors: amounts falling due after more than one year	10	-	(24,091,795)
Net assets		<u>44,525,795</u>	<u>4,588,000</u>
Capital and reserves			
Called up share capital	11	36,234,000	4,588,000
Share premium account	12	7,338,030	-
Profit and loss account	12	953,765	-
Total shareholders' funds	12	<u>44,525,795</u>	<u>4,588,000</u>

The financial statements on pages 7 to 13 were authorised for issue and approved by the Board of Directors on 19 August 2015 and were signed on its behalf by:



Matt White
Director
19 August 2015

Company registered name: Time Out Group MC Limited
Company registered number: 07440310

The notes on pages 9 to 13 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2014**

1 Accounting policies

Accounting convention

The accounts have been prepared under the historical cost convention in accordance with applicable accounting standards and on the going concern basis. A summary of the accounting policies adopted are described below. The critical accounting policies remain unchanged from the prior year. The financial statements have been prepared in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

Basis of consolidation

The financial statements contain information about Time Out Group MC Limited as an individual company and do not contain consolidated financial information as the parent of the group. The company is exempt under section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Time Out Group HC Limited, a company registered in England and Wales.

Financial reporting standard number 1

Exemption has been taken from preparing a cash flow statement on the grounds that a parent company, Time Out Group HC Limited, includes the company within its consolidated financial statements including the cash flow statement.

Fixed asset investments

Investments are stated at cost less provision for impairment.

Taxation

Current tax, including UK corporation tax and foreign tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is provided on a full provision basis on all timing differences, which have arisen but not reversed at the balance sheet date. Deferred tax assets are recognised to the extent that they are considered recoverable in the medium term. Any assets and liabilities recognised have not been discounted.

Financial instruments

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

Where the contractual obligations of financial instruments (including preference shares) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Where the contractual terms of preference shares do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Restatement of prior year comparatives

In the Company's individual financial statements, adjustments have been made for the prior year comparatives relating to intercompany interest (both receivable and payable) as well as fixed asset investments and debtors.

2 Operating profit

Audit fees of £5,000 for this company for the year ended 31 December 2014 were borne by a fellow group company and not recharged to this company.

TIME OUT GROUP MC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2014

3 Interest receivable and similar charges

	2014	Restated 2013
	£	£
Interest on loan stock	337,662	304,906
Interest on preference shares	3,164,764	2,527,232
	<u>3,502,426</u>	<u>2,832,138</u>

A restatement of £282,996 has been made to prior year accounts to correct the interest owed by a fellow group company for preference shares. The total interest receivable amount shown in prior year accounts was £2,549,142. Preference shares held in Time Out Group BC Limited continue to accrue interest at 12% post-restructure.

4 Interest payable and similar charges

	2014	Restated 2013
	£	£
Interest on loan stock	337,662	304,906
Interest on preference shares	2,210,999	2,527,232
	<u>2,548,661</u>	<u>2,832,138</u>

A restatement of £282,996 has been made to prior year accounts to correct the interest owed to a fellow group company for preference shares. The total interest payable amount shown in prior year accounts was £2,549,142.

5 Employees

During the year ending 31 December 2014, no directors received any emoluments related to this Company (2013: £nil) and there were no staff costs or headcount (2013: £nil and nil).

6 Taxation

	2014	2013
	£	£
Profit on ordinary activities before taxation	<u>953,765</u>	<u>-</u>

The tax assessed for the year is different to the standard rate of tax in the UK of 21.49% (2013: 23.25%)

Tax reconciliation

	£	£
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.49% (2013: 23.25%)	204,994	-
Expenses not deductible for tax purposes	396,237	-
Income not taxable	<u>(601,231)</u>	<u>-</u>
Total current tax charge	<u>-</u>	<u>-</u>

TIME OUT GROUP MC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2014

7 Fixed asset investments

	Restated Shares in subsidiary undertaking £
Cost and carrying value	
At 1 January 2014	27,834,000
Restatement of opening balance	(2,000,000)
Restated opening balance	<u>25,834,000</u>
Additions	<u>10,400,000</u>
At 31 December 2014	<u>36,234,000</u>

During the year, £10,400,000 was invested in Time Out Group BC Limited in the form of 104,000,000 £0.10 ordinary shares.

The directors consider the value of the investments to be supported by their underlying assets.

As at 31 December 2014, the Company held more than 10% of the equity of the following undertaking

Name of company	Country of registration (or incorporation)	Holding	Nature of business
<i>Direct subsidiary</i> Time Out Group BC Limited	England and Wales	100%	Holding company

A restatement of £2,000,000 was made to prior year accounts to reclassify a loan owed by a fellow group company as a debtor due from fellow group undertaking. The amount shown in prior year accounts was £27,834,000.

8 Debtors

	2014 £	Restated 2013 £
Amounts owed by group undertakings	<u>11,475,252</u>	<u>7,972,825</u>
	<u>11,475,252</u>	<u>7,972,825</u>

There are no items falling due after more than one year (2013: £2,845,795).

Included within amounts owed by Group undertakings is loan stock with a par value of £2,000,000 which accrues interest of 12% per annum. The loan stock is unsecured and is due for repayment on 30 November 2015. The balance above includes accrued interest of £1,183,457 (2013: £845,795). All other amounts owed by group undertakings are unsecured, non-interest bearing and repayable on demand.

A restatement of £2,282,996 has been made to prior year accounts to include a loan owed by a fellow group company which was incorrectly included as an investment (£2,000,000) and to include interest owed for preference shares which were previously excluded (£282,996). The amount shown in prior year accounts was £5,689,829.

TIME OUT GROUP MC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2014

9 Creditors: amounts falling due within one year

	2014	Restated 2013
	£	£
Loan stock	3,183,457	-
Amounts owed to group undertakings	-	5,127,030
	<u>3,183,457</u>	<u>5,127,030</u>

Loan stock

On 23 November 2010 the Company issued unsecured loan stock at par value totalling £2,000,000 to Time Out HC Limited, the Company's immediate parent company. Interest is charged at 12% per annum and the loan stock is repayable on 30 November 2015. The balance above includes accrued interest of £1,183,457 (2013: £845,795). In 2013 the balance was included in amounts falling due after more than one year. Amounts owed to group undertakings are unsecured, non-interest bearing and repayable on demand.

A restatement of £562,799 has been made to prior year accounts to correct the interest owed to a fellow group company (£282,996 increase) and to include interest accrued on loan stock as a creditor due after more than one year (£845,795 decrease). The amount shown in prior year accounts was £5,689,829.

10 Creditors: amounts falling due after more than one year

	2014	Restated 2013
	£	£
Loan stock	-	2,845,795
12% "A" preference shares	-	21,246,000
	<u>-</u>	<u>24,091,795</u>

On 12 September 2014, 21,246,000 12% Preference shares held by the Company in Time Out Group BC Limited were cancelled and exchanged for 212,460,000 £0.10 Ordinary shares in Time Out Group BC Limited. The interest waived as a result of this transaction was treated as a capital contribution.

A restatement of £845,795 was made to prior year accounts to include the interest owed on the loan stock. The amount shown in prior year accounts was £23,246,000.

11 Share capital

Authorised

	Nominal value	Authorised 2014 No.	Authorised 2013 No.
Ordinary shares	£0.10	362,340,000	45,880,000
		<u>362,340,000</u>	<u>45,880,000</u>

Issued

	Nominal value	Issued 2014 £	Issued 2013 £
Ordinary shares	£0.10	36,234,000	4,588,000
		<u>36,234,000</u>	<u>4,588,000</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2014

11 Share capital (continued)

On 12 September 2014 the Company undertook a capital reconstruction whereby all the previously issued preference shares with a book value of £21,246,000 were cancelled and replaced by the issuance of 212,460,000 £0.10 Ordinary shares. On the same date a further 67,000,000 £0.10 Ordinary shares were issued to capitalise £6,700,000 of unsecured loan funding received from shareholders during 2014. A further 37,000,000 £0.10 Ordinary shares were subscribed for by shareholders in two tranches in September and November 2014 for cash consideration of £3,700,000. Since the year's end a further 95,000,000 £0.10 Ordinary shares were subscribed for by shareholders in three tranches (January, April and July 2015) for cash consideration of £9,500,000.

The Ordinary shares carry voting rights of one vote per share. They have full dividend and distribution rights and rank pari passu in respect to dividends and capital distributions. The shares are non-redeemable.

12 Reconciliation of shareholders' funds and movements on reserves

	Share Capital	Share premium	Profit and loss account	Total
	£	£	£	£
Balance at 1 January 2013	1,000	-	-	1,000
Ordinary shares issued	4,587,000	-	-	4,587,000
Balance at 31 December 2013	<u>4,588,000</u>	<u>-</u>	<u>-</u>	<u>4,588,000</u>
Balance at 1 January 2014	4,588,000	-	-	4,588,000
Ordinary shares issued	31,646,000	7,338,030	-	38,984,030
Profit for the financial year	-	-	953,765	953,765
Balance at 31 December 2014	<u>36,234,000</u>	<u>7,338,030</u>	<u>953,765</u>	<u>44,525,795</u>

As a result of the capital reconstruction that occurred on 12 September 2014, the preference shares held by the Company were cancelled and exchanged for £0.10 ordinary shares. The interest accrued on the preference shares up to that date of £7,338,030 was waived and treated as a capital contribution.

13 Ultimate parent undertaking

The company's immediate parent company is Time Out Group HC Limited, a company registered in England and Wales. Its ultimate parent undertaking and controlling party is Oakley Capital Private Equity LP, a limited partnership established in Bermuda.

The largest and smallest group of which this company is a member and for which the group accounts are prepared is Time Out Group HC Limited. Copies of the consolidated financial statements may be obtained from its registered office at 4th Floor, 125 Shaftesbury Avenue, London, WC2H 8AD.

14 Related party transactions

The company has taken advantage of the exemption within FRS 8 to not disclose transactions with fellow subsidiary undertakings.