

Registered number: 05035508

ACCESS INDUSTRIES (UK) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29 FEBRUARY 2016

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COMPANIES-HOUSE

ACCESS INDUSTRIES (UK) LIMITED

COMPANY INFORMATION

Directors	Daniel M Rosen (resigned 11 October 2016) Access Industries Management LLC Richard B Storey (appointed 11 October 2016)
Company secretary	Thomas C Harding
Registered number	05035508
Registered office	6th Floor, Marble Arch House 66 Seymour Street London W1H 5BT
Independent auditor	Nexia Smith & Williamson Statutory Auditor & Chartered Accountants 25 Moorgate London EC2R 6AY

ACCESS INDUSTRIES (UK) LIMITED

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ACCESS INDUSTRIES (UK) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 29 FEBRUARY 2016**

The directors present their report and the audited financial statements for the year ended 29 February 2016.

Principal activities

The principal activity of the Company continues to be the provision of advisory services to its ultimate parent company, Access Industries, Inc.

Directors

The directors who served during the year were:

Daniel M Rosen (resigned 11 October 2016)
Access Industries Management LLC

Political contributions

During the year, the company made political donations of £40,000 to the Conservative Party (2015: £Nil), and had political expenditure of £35,000 (2015: £Nil).

Disclosure of information to auditor

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

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

Auditor

The auditor, Nexia Smith & Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the Director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 10/31/2016 and signed on its behalf.



Access Industries Management LLC
Director

ACCESS INDUSTRIES (UK) LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 29 FEBRUARY 2016**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

ACCESS INDUSTRIES (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCESS INDUSTRIES (UK) LIMITED

We have audited the financial statements of Access Industries (UK) Limited for the year ended 29 February 2016, which comprise the Profit and loss account, the Balance sheet and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 29 February 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

ACCESS INDUSTRIES (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCESS INDUSTRIES (UK) LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

Nexia Smith & Williamson

Lindsay Manson (Senior Statutory Auditor)

for and on behalf of

Nexia Smith & Williamson

Statutory Auditor
Chartered Accountants

25 Moorgate
London
EC2R 6AY

Date: *8 NOVEMBER 2016*

ACCESS INDUSTRIES (UK) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 29 FEBRUARY 2016**

	Note	2016 £	2015 £
TURNOVER	1	3,578,018	3,181,938
Administrative expenses		(3,410,508)	(3,030,415)
OPERATING PROFIT	2	167,510	151,523
Interest receivable and similar income		707	426
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		168,217	151,949
Tax on profit on ordinary activities	4	(48,529)	(43,064)
PROFIT FOR THE FINANCIAL YEAR	11	119,688	108,885

The notes on pages 7 to 13 form part of these financial statements.

ACCESS INDUSTRIES (UK) LIMITED
REGISTERED NUMBER: 05035508

BALANCE SHEET
AS AT 29 FEBRUARY 2016

	Note	£	29 February 2016 £	£	28 February 2015 £
FIXED ASSETS					
Tangible assets	5		527,794		618,427
Investments	6		16,099		16,099
			<u>543,893</u>		<u>634,526</u>
CURRENT ASSETS					
Debtors	7	1,057,862		585,346	
Cash in hand		9,187		87,335	
			<u>1,067,049</u>		<u>672,681</u>
CREDITORS: amounts falling due within one year	8		<u>(545,265)</u>		<u>(348,334)</u>
NET CURRENT ASSETS			<u>521,784</u>		<u>324,347</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,065,677</u>		<u>958,873</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	9		(52,426)		(65,310)
NET ASSETS			<u>1,013,251</u>		<u>893,563</u>
CAPITAL AND RESERVES					
Called up share capital	10		1		1
Additional paid in capital	11		95,677		95,677
Profit and loss account	11		917,573		797,885
SHAREHOLDERS' FUNDS	12		<u>1,013,251</u>		<u>893,563</u>

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
10/31/2016



Access Industries Management LLC
Director

The notes on pages 7 to 13 form part of these financial statements.

ACCESS INDUSTRIES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.2 Going concern

The financial statements have been prepared on a going concern basis. The adoption of the going concern basis is dependent on the commitment of the ultimate parent company, Access Industries, Inc., to provide financial support to the Company for at least 12 months from the date of approval of these financial statements, the commitment to which has been evidenced in writing. On this basis the directors of the Company consider it appropriate to draw up the financial statements on a going concern basis. The financial statements do not include any adjustments which would result should the going concern basis not be appropriate.

1.3 Turnover

Turnover comprises operational costs plus a 5% recharge to the parent company, Access Industries, Inc. This is receivable as the costs are incurred. All turnover relates to services provided to North America.

1.4 Tangible fixed assets and depreciation

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

Leasehold improvements	-	straight line basis over 10 years
Motor vehicles	-	straight line basis over 4 years
Fixtures & fittings	-	straight line basis over 4 years
Office equipment	-	straight line basis over 3 years

1.5 Investments

Fixed asset investments consist of artwork purchased by the Company which is shown at historic cost less provision for impairment.

1.6 Operating leases

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

ACCESS INDUSTRIES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

1. ACCOUNTING POLICIES (continued)

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.8 Foreign currencies

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

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

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

2. OPERATING PROFIT

The operating profit is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	94,222	65,188
Auditor's remuneration	7,870	7,570
Pension costs	27,531	27,531
	129,623	100,289

During the year, no director received any emoluments (2015 - £NIL).

ACCESS INDUSTRIES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016

3. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	1,786,054	1,464,208
Social security costs	242,278	191,961
Pension costs	27,531	27,531
	<u>2,055,863</u>	<u>1,683,700</u>

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

2016	2015
No.	No.
<u>12</u>	<u>14</u>

4. TAXATION

	2016	2015
	£	£
Analysis of tax charge in the year		
Current tax		
UK corporation tax charge on profit for the year	22,243	-
Adjustments in respect of prior periods	39,170	(22,246)
Total current tax	<u>61,413</u>	<u>(22,246)</u>
Deferred tax (see note 9)		
Origination and reversal of timing differences	(12,884)	65,310
Tax on profit on ordinary activities	<u>48,529</u>	<u>43,064</u>

ACCESS INDUSTRIES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

5. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Motor vehicles £	Fixtures & fittings £	Office equipment £	Total £
Cost					
At 1 March 2015	505,370	16,000	125,280	235,357	882,007
Additions	-	-	-	3,589	3,589
At 29 February 2016	<u>505,370</u>	<u>16,000</u>	<u>125,280</u>	<u>238,946</u>	<u>885,596</u>
Depreciation					
At 1 March 2015	22,808	16,000	16,780	207,992	263,580
Charge for the year	49,626	-	31,319	13,277	94,222
At 29 February 2016	<u>72,434</u>	<u>16,000</u>	<u>48,099</u>	<u>221,269</u>	<u>357,802</u>
Net book value					
At 29 February 2016	<u>432,936</u>	<u>-</u>	<u>77,181</u>	<u>17,677</u>	<u>527,794</u>
At 28 February 2015	<u>482,562</u>	<u>-</u>	<u>108,500</u>	<u>27,365</u>	<u>618,427</u>

6. FIXED ASSET INVESTMENTS

	Artwork £
Cost	
At 1 March 2015 and 29 February 2016	<u>16,099</u>
Net book value	
At 29 February 2016	<u>16,099</u>
At 28 February 2015	<u>16,099</u>

7. DEBTORS

	29 February 2016 £	28 February 2015 £
Amounts owed by group undertakings	922,906	9,323
Corporation tax	9,080	-
VAT repayable	20,847	192,066
Prepayments & accrued income	85,096	293,638
Other debtors	19,933	90,319
	<u>1,057,862</u>	<u>585,346</u>

ACCESS INDUSTRIES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

8. CREDITORS:

Amounts falling due within one year

	29 February 2016	<i>28 February 2015</i>
	£	£
Trade creditors	121,619	31,476
Amounts owed to group undertakings	23	23
Other taxation and social security	63,906	41,977
Accruals and deferred income	359,717	274,858
	<u>545,265</u>	<u>348,334</u>

9. DEFERRED TAXATION

	29 February 2016	<i>28 February 2015</i>
	£	£
At beginning of year	65,310	-
Charge for year	(12,884)	65,310
	<u>52,426</u>	<u>65,310</u>

The provision for deferred taxation is made up as follows:

	29 February 2016	<i>28 February 2015</i>
	£	£
Accelerated capital allowances	<u>52,426</u>	<u>65,310</u>

10. SHARE CAPITAL

	29 February 2016	<i>28 February 2015</i>
	£	£
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

ACCESS INDUSTRIES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016

11. RESERVES

	Additional paid in capital £	Profit and loss account £
At 1 March 2015	95,677	797,885
Profit for the financial year	-	119,688
At 29 February 2016	<u>95,677</u>	<u>917,573</u>

Additional paid in capital represents funds invested in the company with no corresponding issue of shares.

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	29 February 2016 £	28 February 2015 £
Opening shareholders' funds	893,563	689,001
Profit for the financial year	119,688	108,885
Capital contribution	-	95,677
Closing shareholders' funds	<u>1,013,251</u>	<u>893,563</u>

13. OPERATING LEASE COMMITMENTS

At 29 February 2016 the company had annual commitments under non-cancellable operating leases as follows:

	29 February 2016 £	28 February 2015 £
Expiry date:		
After more than 5 years	<u>190,273</u>	<u>190,273</u>

ACCESS INDUSTRIES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

14. RELATED PARTY TRANSACTIONS

During the year £3,578,018 (2015: £1,121,622) was charged to Access Industries, Inc., a corporation organised under the laws of the State of New York, with registration number 4668539 (which was formerly known as "Access Newco, Inc."), which owned Access Industries (UK) Limited for the period. At 29 February 2016 the balance due from Access Industries, Inc. was £922,906 (2015: £6,451).

During the year, £nil (2015: £2,060,316) was charged to AI Altep Holdings, Inc., a corporation organised under the laws of the State of New York, with registration number 1071189 (which was formerly known as "Access Industries, Inc."), which owned Access Industries (UK) Limited for the period from March 2014 to December 2014, in respect of services provided to that company. At 29 February 2016, the balance due from AI Altep Holdings, Inc., was £nil (2015: £nil).

As at 29 February 2016, £Nil was due from Access Media, L.P. (2015: £2,872), a company under common control.

As at 29 February 2016, £3,336 (2015: £5,358) was due from Leonard Blavatnik, the indirect beneficial owner of Access Industries, Inc., for costs that had been incurred on his behalf.

15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

As at 29 February 2016 Access Industries (UK) Limited was controlled by Access Industries Management LLC, a company incorporated in Delaware. The ultimate parent company was Access Industries, Inc., a corporation organised under the laws of the State of New York. The ultimate controlling party is Leonard Blavatnik, who is the indirect beneficial owner of 100% of Access Industries, Inc.