

Financial Statements Electronic Theatre Controls Limited

For the Year Ended 31 December 2015



Registered number: 03057796

Electronic Theatre Controls Limited

Company Information

Directors

A Bennette
G O'Grady
R Titus
S Downs

Company secretary

G O'Grady

Registered number

03057796

Registered office

Unit 26-28
Victoria Industrial Estate
Victoria Road
London
W3 6UU

Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
Grant Thornton House
Melton Street
Euston Square
London
NW1 2EP

Electronic Theatre Controls Limited

Contents

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8 - 9
Statement of cash flows	10
Notes to the financial statements	11 - 22

Electronic Theatre Controls Limited

Strategic Report For the Year Ended 31 December 2015

Introduction

The principal activity of the company during the year was the sale and distribution of theatre lighting equipment. Overall the directors are satisfied with the performance given the challenging economic environment.

Business review

The directors were pleased to note that both UK sales and exports increased. The gross profit % increased in line with expectations.

Consistent with trends in the industry, the company maintains a strong emphasis on LED products while maintaining a focus on traditional theatrical lighting products.

Principal risks and uncertainties

The company uses various financial instruments including cash, equity investment and various items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The main risks arising from the company's financial statements are currency risk and credit risk.

The company is exposed to currency risk on sales to overseas customers and on purchases from overseas suppliers when invoiced in foreign currency mainly Euro and US Dollar. The hedges against the risk of foreign exchange fluctuations on these balances using forward currency contracts.

The company's principal financial assets are cash and trade debtors. The credit risk associated with the cash is limited as the counterparties have high credit ratings assigned by international credit rating agencies. The principal credit risk arises therefore from its trade debtors. In order to manage credit risks the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history.

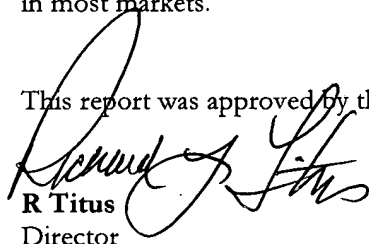
Financial key performance indicators

The directors believe the key performance indicator of the business to be turnover, with the following results achieved in the year.

Like-for-like sales	Increase of 14.3% (2014: increase of 10.0%)
UK sales	Increase of 0.2% (2014: increase of 14.3%)
Export sales	Increase of 25.2% (2014: increase of 7.0%)

During the year, overall demand for our product increased despite the difficult economic situation which continued in most markets.

This report was approved by the board on 19 May 2016 and signed on its behalf.


R Titus
Director

Electronic Theatre Controls Limited

Directors' Report For the Year Ended 31 December 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

Results and dividends

The profit for the year, after taxation, amounted to £3,133,875 (2014 -£2,436,754).

Particulars of dividends paid are detailed in note 8 of the financial statements.

Directors

The directors who served during the year were:

A Bennette
F Foster (resigned 13 July 2015)
G O'Grady
R Titus
S Downs

Financial risk management objectives and policies

The strategic report contains information on the principal risks and uncertainties facing the business.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless 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;
- 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.

Electronic Theatre Controls Limited

Directors' Report For the Year Ended 31 December 2015

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 the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the 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.

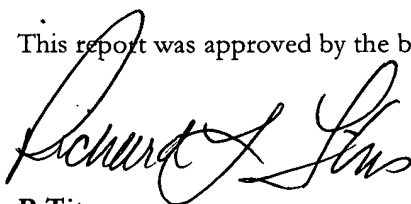
Post balance sheet events

There have been no significant events affecting the company since the year end.

Auditors

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

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



R Titus
Director

Date: 19 May 2016

Independent Auditor's Report to the Members of Electronic Theatre Controls Limited

We have audited the financial statements of Electronic Theatre Controls Limited for the year ended 31 December 2015, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and reconciliation of net cash flow to movement in net funds/debt and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement (refer to 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 Auditing Practices Board'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 31 December 2015 and of its profit for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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



Independent Auditor's Report to the Members of Electronic Theatre Controls 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.

Grant Thornton UK LLP

Harold Wilson (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
London

24 May 2016

Electronic Theatre Controls Limited

Statement of Comprehensive Income For the Year Ended 31 December 2015

	Note	2015 £	2014 £
Turnover	3	17,940,509	15,694,246
Cost of sales		<u>(10,435,674)</u>	<u>(9,455,985)</u>
Gross profit		7,504,835	6,238,261
Administrative expenses		<u>(3,547,288)</u>	<u>(3,106,017)</u>
Operating profit	4	3,957,547	3,132,244
Taxation on profit on ordinary activities	7	<u>(823,672)</u>	<u>(695,490)</u>
Profit for the financial year		<u>3,133,875</u>	<u>2,436,754</u>
Total comprehensive income for the year		<u>3,133,875</u>	<u>2,436,754</u>

All amounts relate to continuing operations.

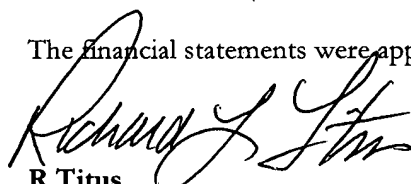
There were no recognised gains and losses for 2015 and 2014 other than those included in the income statement.

The notes on pages 11 to 22 form part of these financial statements.

Statement of Financial Position
As at 31 December 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	9	125,405	159,138
		<u>125,405</u>	<u>159,138</u>
Current assets			
Stocks	10	882,675	844,338
Debtors: Amounts falling due within one year	11	3,983,374	3,463,309
Cash at bank and in hand	12	3,902,489	2,596,988
		<u>8,768,538</u>	<u>6,904,635</u>
Creditors: Amounts falling due within one year	13	(2,888,107)	(3,107,654)
		<u>5,880,431</u>	<u>3,796,981</u>
Net current assets		<u>6,005,836</u>	<u>3,956,119</u>
Total assets less current liabilities			
Provisions for liabilities			
Other provisions	15	(884,744)	(868,902)
		<u>(884,744)</u>	<u>(868,902)</u>
Net assets		<u>5,121,092</u>	<u>3,087,217</u>
Capital and reserves			
Called up share capital	16	16,000	16,000
Profit and loss account		5,105,092	3,071,217
		<u>5,121,092</u>	<u>3,087,217</u>

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


R Titus
Director

Date: 19 May 2016

The notes on pages 11 to 22 form part of these financial statements.

Electronic Theatre Controls Limited

**Statement of Changes in Equity
As at 31 December 2015**

	Share capital £	Retained earnings £	Total equity £
At 1 January 2015	16,000	3,071,217	3,087,217
Comprehensive income for the year			
Profit for the year	-	3,133,875	3,133,875
Contributions by and distributions to owners			
Dividends: Equity capital	-	(1,100,000)	(1,100,000)
Total contributions by and distributions to owners	-	(1,100,000)	(1,100,000)
At 31 December 2015	16,000	5,105,092	5,121,092

Electronic Theatre Controls Limited

**Statement of Changes in Equity
As at 31 December 2014**

	Share capital £	Retained earnings £	Total equity £
At 1 January 2014	16,000	634,463	650,463
Comprehensive income for the year			
Profit for the year	-	2,436,754	2,436,754
At 31 December 2014	16,000	3,071,217	3,087,217

The notes on pages 11 to 22 form part of these financial statements.

Electronic Theatre Controls Limited

Statement of Cash Flows For the Year Ended 31 December 2015

	2015 £	2014 £
Cash flows from operating activities		
Profit for the financial year	3,133,875	2,436,754
Adjustments for:		
Depreciation of tangibles	57,793	94,740
Increase in provisions	15,842	339,637
Increase in stocks	(38,337)	92,256
Taxation charge	823,672	695,490
Increase in debtors	(662,178)	(730,664)
Decrease in amounts owed by groups	238,753	(47,834)
Increase in creditors	142,637	(189,195)
Increase in amounts owed to groups	(429,198)	427,622
Increase in financial instruments	10,251	-
Corporation tax paid	(863,548)	(822,374)
Net cash generated from operating activities	<u>2,429,562</u>	<u>2,296,432</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(24,061)	(115,472)
Net cash from investing activities	<u>(24,061)</u>	<u>(115,472)</u>
Cash flows from financing activities		
Shares treated as debt - preference shares redeemed	-	(808,000)
Dividends paid	(1,100,000)	-
Net cash used in financing activities	<u>(1,100,000)</u>	<u>(808,000)</u>
Net increase in cash and cash equivalents	<u>1,305,501</u>	<u>1,372,960</u>
Cash and cash equivalents at beginning of year	2,596,988	1,224,028
Cash and cash equivalents at the end of year	<u>3,902,489</u>	<u>2,596,988</u>
Cash at bank and in hand	<u>3,902,489</u>	<u>2,596,988</u>
	<u>3,902,489</u>	<u>2,596,988</u>

**Notes to the Financial Statements
For the Year Ended 31 December 2015**

1. Accounting policies

1.1 General information

The company is a private company limited by share capital incorporated and domiciled in the United Kingdom. The address of the registered office is included within the Company Information. The nature of the company's operations and its principal activity during the period was that of sale and distribution of theatre lighting equipment.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the company operates.

1.2 Going concern

The directors consider that there is sufficient working capital for the company to meet its external liabilities as they fall due for the foreseeable future and therefore consider it appropriate to prepare the Financial Statements on a going concern basis.

1.3 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note).

The following principal accounting policies have been applied:

1.4 Turnover

The turnover shown in the profit and loss account represents amounts invoiced, net of VAT/sales tax, as recognised when the customer assumes the risks and rewards of ownership.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

**Notes to the Financial Statements
For the Year Ended 31 December 2015**

1. Accounting policies (continued)

1.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

The estimated useful lives range as follows:

Leasehold Property	-	over the period of the lease
Plant & machinery	-	20% straight line
Fixtures & fittings	-	20% - 50% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the statement of comprehensive income.

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.

1.7 Stocks

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

1.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**Notes to the Financial Statements
For the Year Ended 31 December 2015**

1. Accounting policies (continued)

1.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

1.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.11 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.

1.12 Foreign currencies

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

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

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

1.13 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**Notes to the Financial Statements
For the Year Ended 31 December 2015**

1. Accounting policies (continued)

1.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

1.15 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 asset of the entity after deducting all of its financial liabilities.

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

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

1.16 Provisions for liabilities and charges

Provision is made for warranty costs on an experienced based cost percentage of sales under warranty.

Provision is made for the the estimated costs of dilapidation expected to be payable on expiry of the lease.

2. Judgments in applying accounting policies and key sources of estimation uncertainty

The key judgments in the preparation of these financial statements are considered to be the dilapidations on leasehold property, the customer warranty provision and the provision for obsolescent stock.

Electronic Theatre Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

3. Turnover

An analysis of turnover by geographical location is as follows:

	2015 £	2014 £
United Kingdom	6,873,667	6,857,056
Overseas	11,066,842	8,837,190
	<u>17,940,509</u>	<u>15,694,246</u>

4. Operating profit

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

	2015 £	2014 £
Depreciation - other fixed assets	57,793	94,740
Auditor's remuneration	28,115	26,775
Operating lease rentals	172,868	172,790
Net loss/(gain) on foreign currency translation	14,026	(24,049)
Defined contribution pension cost	26,270	24,501
	<u>26,270</u>	<u>24,501</u>

5. Employees

Staff costs, including directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	1,661,997	1,493,109
Social security costs	175,754	155,411
Cost of defined benefit scheme	26,270	24,501
	<u>1,864,021</u>	<u>1,673,021</u>

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

	2015 No.	2014 No.
Administrative staff	<u>34</u>	<u>32</u>

Electronic Theatre Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

6. Directors' remuneration

	2015 £	2014 £
Directors' emoluments	226,997	224,295
	<u>226,997</u>	<u>224,295</u>

During the year retirement benefits were accruing to 2 directors (2014 -2) in respect of defined contribution pension schemes.

During the year retirement benefits were accruing to no directors (2014 -NIL) in respect of defined benefit pension schemes.

The highest paid director received remuneration of £117,797 (2014 -£124,122).

7. Taxation

	2015 £	2014 £
Corporation tax		
Current tax on profits for the year	828,184	678,224
Adjustments in respect of previous periods	(3,488)	-
	<u>824,696</u>	<u>678,224</u>
Foreign tax on income for the year	7,340	4,750
	<u>7,340</u>	<u>4,750</u>
Total current tax	<u>832,036</u>	<u>682,974</u>
Deferred tax		
Origination and reversal of timing differences	(13,387)	(257)
Adjustments in respect of prior periods	1,705	12,773
Effect of tax rate change on opening balance	3,318	-
Total deferred tax	<u>(8,364)</u>	<u>12,516</u>
Taxation on profit on ordinary activities	<u>823,672</u>	<u>695,490</u>

**Notes to the Financial Statements
For the Year Ended 31 December 2015**

7. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 -higher than) the standard rate of corporation tax in the UK of 20.25% (2014 -21.49%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	3,957,547	3,132,244
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 -21.49%)	801,268	673,218
Effects of:		
Fixed asset differences	1,389	1,425
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	13,716	8,054
Adjustments to brought forward values	(1,726)	-
Income not taxable for tax purposes	(34)	-
Other permanent differences	(1,486)	-
Foreign tax credits	7,340	-
Adjustments to tax charge in respect of prior periods	(3,488)	-
Overseas tax suffered	-	4,750
Double taxation relief	-	(4,750)
Change of tax rate on opening deferred tax provision	6,693	12,793
Total tax charge for the year	823,672	695,490

8. Dividends

	2015 £	2014 £
Dividends paid	1,100,000	-

Electronic Theatre Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

9. Tangible fixed assets

	Plant & machinery £	Short Term Leasehold Property £	Fixtures & fittings £	Total £
Cost or valuation				
At 1 January 2015	31,995	1,211,736	392,049	1,635,780
Additions	-	-	24,061	24,061
At 31 December 2015	31,995	1,211,736	416,110	1,659,841
Depreciation				
At 1 January 2015	20,148	1,194,896	261,599	1,476,643
Charge owned for the period	3,321	4,300	50,172	57,793
At 31 December 2015	23,469	1,199,196	311,771	1,534,436
At 31 December 2015	8,526	12,540	104,339	125,405
At 31 December 2014	11,848	16,840	130,450	159,138

10. Stocks

	2015 £	2014 £
Raw materials	38,756	39,640
Finished goods and goods for resale	843,919	804,698
	882,675	844,338

Electronic Theatre Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

11. Debtors

	2015 £	2014 £
Due within one year		
Trade debtors	2,998,995	2,242,855
Amounts owed by group undertakings	577,355	816,108
Other debtors	-	101,990
Prepayments and accrued income	115,677	107,649
Tax recoverable	248,106	159,830
Deferred taxation	43,241	34,877
	<u>3,983,374</u>	<u>3,463,309</u>

12. Cash and cash equivalents

	2015 £	2014 £
Cash at bank and in hand	3,902,489	2,596,988
	<u>3,902,489</u>	<u>2,596,988</u>

13. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	53,970	100,349
Amounts owed to group undertakings	1,956,466	2,385,664
Corporation tax	369,275	312,513
Taxation and social security	162,008	151,600
Other creditors	191	-
Accruals and deferred income	335,946	157,528
Financial instruments	10,251	-
	<u>2,888,107</u>	<u>3,107,654</u>

Electronic Theatre Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

14. Deferred taxation

	Deferred tax £
At 1 January 2015	34,877
Credit to the profit or loss	8,364
At 31 December 2015	43,241

The deferred tax asset is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	6,274	13,396
Tax losses carried forward	(49,515)	(48,273)
	<u>(43,241)</u>	<u>(34,877)</u>

15. Provisions

	Delapidation provision £
At 1 January 2015	868,902
Charged to the profit or loss	15,842
At 31 December 2015	884,744

Provisions relate to dilapidations on existing leased property and customer warranties.

16. Share capital

	2015 £	2014 £
Shares classified as equity		
Authorised		
100,000 Ordinary Shares shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid		
16,000 Ordinary Shares shares of £1 each	<u>16,000</u>	<u>16,000</u>

Electronic Theatre Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

17. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £26,270 (2014: £24,501). Contributions totalling £nil (2014: £nil) were payable to the fund at the balance sheet date and are included in creditors.

18. Commitments under operating leases

At 31 December 2015 the company had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
Within 1 year	-	8,617
Between 2 and 5 years	19,617	7,051
After more than 5 years	156,011	156,011
Total	175,628	171,679

19. Related party transactions

Transactions with related parties are listed below. These are other companies within the group.

	Sales to related party 2015 £	Purchases from related party 2015 £	Amounts owed by related party 2015 £	Amounts owed to related party 2015 £
2015				
Electronic Theatre Controls Inc	394,663	9,525,104	51,836	1,751,010
Electronic Theatre Controls Italia Srl	5,741	793,124	1,462	186,951
Electronic Theatre Controls GmbH	4,564	47,717	97	3,222
Avab Transtechnik SARL	1,847,671	7,014	515,553	3,743
Penko Engineering BV	1,163	74,399	1,216	11,540
ETC Asia	6,991	-	7,191	-
Total	2,260,793	10,447,358	577,355	1,956,466

Electronic Theatre Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

Related party transactions (continued)

	Sales to related party 2014 £	Purchases from related party 2014 £	Amounts owed by related party 2014 £	Amounts owed to related party 2014 £
2014				
Electronic Theatre Controls Inc	173,053	8,364,744	19,060	1,758,761
Electronic Theatre Controls Italia Srl	6,842	631,869	1,546	178,418
Electronic Theatre Controls GmbH	10,703	39,762	7	1,381
Avab Transtechnik SARL	2,198,354	826	795,495	-
Penko Engineering BV	6,664	810,752	-	447,104
ETC Asia	6,767	-	-	-
Total	<u>2,402,383</u>	<u>9,847,953</u>	<u>816,108</u>	<u>2,385,664</u>

20. Controlling party

The ultimate parent company is Electronic Theatre Controls Inc., a company incorporated in the United States of America.