

Registered number: 03425917

THE CREATIVE ASSEMBLY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015



THE CREATIVE ASSEMBLY LIMITED

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THE CREATIVE ASSEMBLY LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015

The directors present their Annual Report, consisting of the Strategic Report and the Directors' Report, and the audited financial statements of The Creative Assembly Limited ("the company") for the year ended 31 March 2015.

PRINCIPAL ACTIVITY, REVIEW OF BUSINESS AND FUTURE DEVELOPMENT

The company operates a computer games software development business.

Turnover for the year to 31 March 2015 was £30,285,066 compared to £22,045,394 for 2014. The higher turnover is a result of the increased development work within the studio and the expansion of the console team. Turnover comprises income received under development agreements on titles developed by the company.

The company reported an operating profit of £4,711,101 for the year ended 31 March 2015 compared to an operating profit of £2,188,003 for 2014. The increase in operating profit is a result of increased turnover and operating margins.

KEY PERFORMANCE INDICATORS (KPIs)

The company focuses on various KPIs for the discussion within the management team. Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs are not necessary for an understanding by the relevant external parties for appraising the performance or position of the business further to the information included in this report and the financial information and notes contained in the body of the financial statements.

The profit for the year, after taxation, amounted to £7,903,356 (2014 - £2,204,501).

At 31 March 2015, the company had net assets of £7,240,753 (2014 - £5,337,397).

BUSINESS OUTLOOK

Whilst the company has a wealth of capability in launching successful games, the interactive gaming industry market continues to shift from publishing packaged goods into digital content and as such the overall environment becomes more challenging.

PRINCIPAL RISKS AND UNCERTAINTIES

The company develops games in a highly competitive market whereby the success or failure of a title is consumer oriented. The company seeks to continue to enhance its portfolio of titles to exploit existing and new opportunities in the consumer market.

Effective project management is critical to the profitability of the company as overruns can mean the company can incur losses.

This report was approved by the board on 18 December 2015 and signed on its behalf.



D Ward
Director

THE CREATIVE ASSEMBLY LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2015**

DIRECTORS

The directors who served during the year ended 31 March 2015 and subsequently were as follows:

D Ward
J Post
T Miyazaki

DIVIDENDS

The directors declared, and authorised payment of, interim dividends totalling £6,000,000 during the year ended 31 March 2015 (2014 - £Nil).

POLITICAL CONTRIBUTIONS

The company made no political donations or incurred any political expenditure during the year (2014 - £Nil).

DISCLOSURE OF INFORMATION TO THE 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

Under section 487(2) of the Companies Act 2006, KPMG LLP will be deemed to have been reappointed as auditor and will therefore continue in office.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors' assessment of the company's principal risks and uncertainties is set out in the Strategic Report.

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



D Ward
Director

Date: 18 December 2015

Registered address
27 Great West Road
Brentford
Middlesex
TW8 9BW

THE CREATIVE ASSEMBLY LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2015**

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 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 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 financial statements;
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CREATIVE ASSEMBLY LIMITED

We have audited the financial statements of The Creative Assembly Limited ("the company") for the year ended 31 March 2015, set out on pages 5 to 15. 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 set out on page 3, 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 March 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.

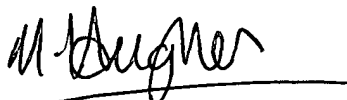
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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.

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.



Neil Hughes (Senior Statutory Auditor)
for and on behalf of
KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 5GL
Date: 22 December 2015

THE CREATIVE ASSEMBLY LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2015**

	Note	2015 £	2014 £
TURNOVER	1,2	30,285,066	22,045,394
Cost of sales		<u>(22,922,198)</u>	<u>(17,545,400)</u>
GROSS PROFIT		7,362,868	4,499,994
Administrative expenses		<u>(2,997,473)</u>	<u>(2,311,991)</u>
Other operating income	8	<u>345,706</u>	-
OPERATING PROFIT		4,711,101	2,188,003
Income from other fixed asset investments	9	<u>1,537,869</u>	-
Interest receivable and similar income		-	19,475
Interest payable and similar charges	5	<u>(4,476)</u>	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	6	6,244,494	2,207,478
Taxation credit/(charge) on profit on ordinary activities	10	<u>1,658,862</u>	<u>(2,977)</u>
PROFIT FOR THE FINANCIAL YEAR	17	<u>7,903,356</u>	<u>2,204,501</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and Loss Account.

The notes on pages 7 to 15 form part of these financial statements.

THE CREATIVE ASSEMBLY LIMITED
REGISTERED NUMBER: 03425917

BALANCE SHEET
AS AT 31 MARCH 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible fixed assets	11		1,815,284		1,777,216
Investments	12		6,371		6,369
			<u>1,821,655</u>		<u>1,783,585</u>
CURRENT ASSETS					
Debtors	13	13,117,932		79,929,964	
Cash at bank and in hand		410,970		1,336	
		<u>13,528,902</u>		<u>79,931,300</u>	
CREDITORS: amounts falling due within one year	14	<u>(8,109,804)</u>		<u>(76,377,488)</u>	
NET CURRENT ASSETS			<u>5,419,098</u>		<u>3,553,812</u>
NET ASSETS			<u>7,240,753</u>		<u>5,337,397</u>
CAPITAL AND RESERVES					
Called up share capital	16		100		100
Share premium account	17		33,735		33,735
Profit and loss account	17		7,206,918		5,303,562
TOTAL EQUITY SHAREHOLDERS' FUNDS	18		<u>7,240,753</u>		<u>5,337,397</u>

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



D Ward
 Director

Date: 18 December 2015

The notes on pages 7 to 15 form part of these financial statements.

THE CREATIVE ASSEMBLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with applicable UK accounting standards and the requirements of the United Kingdom Companies Act 2006, and under the historical cost convention.

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. The company has been profitable and the directors expect this to continue. The company has cash resources and net assets. Accordingly, the directors believe that the company is well placed to manage its business risks successfully and are satisfied that the company has and will maintain sufficient financial resources to enable it to continue operating in the foreseeable future. The directors therefore continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

By virtue of section 401 of the Companies Act 2006, the company is exempt from preparing consolidated financial statements as the results of this company are included in the financial statements of its ultimate parent company, SEGA Sammy Holdings Inc., which are publicly available.

1.2 Turnover

Turnover relates to computer games software development services provided to third parties and to Sega Publishing Europe Limited. Third party services relate primarily to long term contracts and turnover is recognised in accordance with the company's policy for long term contracts. Turnover relating to services provided to Sega Publishing Europe Limited is determined primarily by reference to costs incurred for the year and is recognised in the same period that the costs are incurred.

1.3 Long term contracts

The amount of profit attributable to the stage of completion of a long term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at the cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years. Provision is made for any losses as soon as they are foreseen.

Contract work in progress is stated at costs incurred, less those transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched with turnover.

Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account.

1.4 Other operating income

The company has elected to take advantage of the research and development expenditure credit ('RDEC'), in the first year of the transitional phase introduced in the Finance Act 2013. Relief is given as a taxable credit on 10% of qualifying R&D expenditure. The company recognises research and development expenditure credit as an item of other operating income, taking advantage of the 'above the line' presentation.

THE CREATIVE ASSEMBLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES (continued)

1.5 Foreign currencies

Monetary assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling on the date of the transaction. All foreign currency exchange gains and losses are recognised in the Profit and Loss Account.

1.6 Operating leases

Costs in respect of operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

1.7 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	-	over the remaining term of the lease
Fixtures, fittings & equipment	-	25% - 33%

1.8 Investments

Investments held as fixed assets are shown at cost less provision for impairment, if any.

1.9 Deferred taxation

Provision is made for deferred tax liabilities and assets, using full provision accounting, otherwise known as the incremental liability method, when an event has taken place by the balance sheet date which gives rise to an increased or reduced tax liability in the future in accordance with FRS 19 'Deferred tax'. A net deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

1.10 Research and development

All research and development costs are charged to the Profit and Loss Account during the period in which they occur. Development costs contracted out to third parties for certain games are charged to the Profit and Loss Account in the same period as that in which the associated revenues are generated.

1.11 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds. The contributions payable by the company to the defined contribution scheme are charged to the Profit and Loss Account when they are incurred.

THE CREATIVE ASSEMBLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES (continued)

1.12 Cash flows

The company is a wholly owned subsidiary of SEGA Games Co. Ltd, which itself is a wholly owned subsidiary of SEGA Sammy Holdings Inc., which produces publicly available consolidated financial statements (Note 22). Consequently, the company is exempt under the terms of FRS 1 (Revised 1996) 'Cash flow statements' from publishing a cash flow statement.

1.13 Related party disclosures

FRS 8 'Related party disclosures' requires the disclosure of the details of material transactions between the reporting entity and any related parties. The company has taken advantage of the exemption from providing such information on group transactions, as it is a 100% owned subsidiary and the parent company's financial statements are publicly available.

2. TURNOVER

The turnover and profit before tax are attributable to the principal activity of the company. All turnover originates in the United Kingdom.

3. DIRECTORS' EMOLUMENTS

The directors received no emoluments for their services to the company during the year (2014 - £Nil).

4. STAFF COSTS

Staff costs, were as follows:

	2015 £	2014 £
Wages and salaries	11,347,902	11,245,548
Social security costs	1,276,579	1,350,921
Other pension costs (Note 20)	411,176	348,524
	<u>13,035,657</u>	<u>12,944,993</u>

The average monthly number of persons, employed by the company during the year was as follows:

	2015 No.	2014 No.
Production	220	207
Administration	31	31
	<u>251</u>	<u>238</u>

THE CREATIVE ASSEMBLY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Other interest payable	4,476	-

6. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging/(crediting):

	2015 £	2014 £
Depreciation of tangible fixed assets: - owned by the company (Note 11)	1,034,525	998,907
Operating lease rentals: - land and buildings	357,726	327,935
Foreign exchange gains	(332,731)	(281,516)
Loss on disposal of tangible fixed assets	344	-
Impairment on fixed asset investment (Note 12)	-	641,912

7. AUDITOR'S REMUNERATION

	2015 £	2014 £
Audit of these financial statements	27,000	19,500

8. OTHER OPERATING INCOME

	2015 £	2014 £
RDEC income	345,706	-

9. INCOME FROM OTHER FIXED ASSET INVESTMENTS

	2015 £	2014 £
Waiver of amounts due to subsidiary undertakings	1,537,869	-

Following the closure of The Creative Assembly International Limited ("TCAIL"), a subsidiary undertaking in the year, amounts due to TCAIL of £1,537,869 have been waived.

THE CREATIVE ASSEMBLY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

10. TAXATION (CREDIT)/CHARGE ON PROFIT ON ORDINARY ACTIVITIES

	2015 £	2014 £
Analysis of tax (credit)/charge in the year		
Current tax (see note below)		
UK corporation tax (credit)/charge on profit for the year	(1,704,106)	493,618
Adjustments in respect of prior year	89,466	(312,487)
Total current tax	(1,614,640)	181,131
Deferred tax		
Origination and reversal of timing differences	(55,614)	(178,154)
Rate changes	2,648	-
Adjustments in respect of prior year	8,744	-
Total deferred tax (see note 15)	(44,222)	(178,154)
Tax (credit)/charge on profit on ordinary activities	(1,658,862)	2,977

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 21% (2014 - 23%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	6,244,494	2,207,478
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 - 23%)	1,311,344	507,720
Effects of:		
Expenses not deductible for tax purposes	2,371	29,267
Difference between capital allowances and depreciation charge	55,614	68,792
Adjustments to tax charge in respect of prior periods	89,466	(312,487)
Deduction for qualifying research and development expenditure	-	(112,161)
Loan waiver not taxable	(294,000)	-
Tax effect of video games tax relief	(2,779,435)	-
Current tax (credit)/charge for the year (see note above)	(1,614,640)	181,131

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 24% to 23% (effective 1 April 2013) was substantively enacted on 3 July 2012. Reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. The deferred tax asset at 31 March 2015 has been calculated based on the rate of 20% substantively enacted at the balance sheet date. Further reductions to 19% (effective 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. This will reduce the company's future current tax charge accordingly.

THE CREATIVE ASSEMBLY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

11. TANGIBLE FIXED ASSETS

	Leasehold improve- ments £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 April 2014	1,238,099	4,569,701	5,807,800
Additions	33,378	1,039,559	1,072,937
Disposals	(571,683)	(2,284,086)	(2,855,769)
At 31 March 2015	<u>699,794</u>	<u>3,325,174</u>	<u>4,024,968</u>
Depreciation			
At 1 April 2014	865,781	3,164,803	4,030,584
Charge for the year	137,254	897,271	1,034,525
On disposals	(571,683)	(2,283,742)	(2,855,425)
At 31 March 2015	<u>431,352</u>	<u>1,778,332</u>	<u>2,209,684</u>
Net book value			
At 31 March 2015	<u>268,442</u>	<u>1,546,842</u>	<u>1,815,284</u>
At 31 March 2014	<u>372,318</u>	<u>1,404,898</u>	<u>1,777,216</u>

12. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
Cost	
At 1 April 2014	648,281
Additions	2
At 31 March 2015	<u>648,283</u>
Impairment	
At 1 April 2014 and 31 March 2015	<u>641,912</u>
Net book value	
At 31 March 2015	<u>6,371</u>
At 31 March 2014	<u>6,369</u>

The fixed asset investments comprise a 100% interest in the share capital of The Creative Assembly International Limited (Games development) and The Creative Assembly VGDC Limited (Games development). In the prior year, the directors made an impairment provision of £641,912 in respect of the investment in The Creative Assembly International Limited.

THE CREATIVE ASSEMBLY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

13. DEBTORS

	2015	2014
	£	£
Trade debtors	2,137,219	-
Amounts due from parent company and fellow subsidiary undertakings	8,709,812	79,441,988
Other debtors	24,333	9,825
Prepayments and accrued income	104,539	299,997
Corporation taxation recoverable	1,919,653	-
Deferred tax asset (see note 15)	222,376	178,154
	13,117,932	79,929,964

**14. CREDITORS:
Amounts falling due within one year**

	2015	2014
	£	£
Bank loans and overdrafts	-	497,931
Trade creditors	215,237	500,879
Amounts due to fellow subsidiary undertakings	1,775,078	70,732,071
Amounts due to subsidiary undertakings	-	641,911
Corporation tax	-	373,030
Other taxation and social security	53,591	-
Amounts payable on long term contracts owed to subsidiary undertaking	-	1,103,045
Other creditors	-	72,849
Accruals and deferred income	6,065,898	2,455,772
	8,109,804	76,377,488

15. DEFERRED TAX ASSET

	2015	2014
	£	£
At beginning of year	178,154	-
Movement during the year (Note 10)	44,222	178,154
	222,376	178,154

The deferred tax asset is made up as follows:

	2015	2014
	£	£
Other short term timing differences	222,376	178,154
	222,376	178,154

THE CREATIVE ASSEMBLY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

16. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
100 (2014 - 100) Ordinary shares of £1 each	<u>100</u>	<u>100</u>

17. RESERVES

	Share premium account £	Profit and loss account £
At 1 April 2014	33,735	5,303,562
Profit for the financial year	-	7,903,356
Dividends on shares classified in shareholders funds (Note 19)	-	(6,000,000)
At 31 March 2015	<u>33,735</u>	<u>7,206,918</u>

18. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Opening shareholders' funds	5,337,397	3,132,896
Profit for the financial year	7,903,356	2,204,501
Dividends (Note 19)	(6,000,000)	-
Closing shareholders' funds	<u>7,240,753</u>	<u>5,337,397</u>

19. DIVIDENDS

	2015 £	2014 £
Dividends on shares classified in shareholders funds	<u>6,000,000</u>	<u>-</u>

20. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. Costs relating to this scheme are charged to the Profit and Loss Account when they are incurred. The cost for the year is £411,176 (2014 - £348,524).

THE CREATIVE ASSEMBLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

21. CAPITAL AND OPERATING LEASE COMMITMENTS

(a) Capital commitments

There were no capital commitments at 31 March 2015 (2014 - £Nil).

(b) Operating lease commitments

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

	Land and buildings	
	2015	2014
	£	£
Expiry date:		
Between 2 and 5 years	<u>682,813</u>	<u>533,449</u>

(c) Off balance sheet arrangements

The operating leases noted above are entered into to provide normal operational and trading support for the company. They consist of property leases obligations.

The total financial obligations over the remaining lease terms are:

	2015	2014
	£	£
Property leases obligations	<u>1,574,340</u>	<u>1,374,471</u>

22. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent company is SEGA Games Co. Ltd (formerly SEGA Corporation) and the ultimate parent company and controlling party is SEGA Sammy Holdings Inc., a company incorporated in Japan.

SEGA Sammy Holdings Inc. is the parent undertaking of the largest group of undertakings in which these financial statements are consolidated. Copies of the consolidated financial statements of SEGA Sammy Holdings Inc. may be obtained from the head office Shiodome Sumitomo Building 1-9-2, Higashi Shimbashi, Minato-Ku, Tokyo 105-0021, Japan or from the company's website on www.segasammy.co.jp.