

GRICIND LIMITED

Report and Financial Statements

31 December 2006

Registered No.1227150

TUESDAY



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COMPANIES HOUSE

Gricind Limited

COMPANY INFORMATION

DIRECTORS

B Dickins
S Douglas
P Latham
R MacSween
A Ridgeway

SECRETARY

S Emeny

AUDITORS

Ernst & Young LLP
1 More London Place
London
SE1 2AF

BANKERS

Barclays Bank PLC
London Corporate Banking
50 Pall Mall
PO Box 15162
London SW1 1QB

SOLICITORS

Russells
Regency House
1/4 Warrick Street
London
W1R 5WB

REGISTERED OFFICE

35-36 Grosvenor Street
London
W1K 4QX

Gricind Limited

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2006.

RESULTS AND DIVIDENDS

The profit after taxation for the year ended 31 December 2006 was £297,360 (2005 - profit of £361,708).

PRINCIPAL ACTIVITY, REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The principal activity of the company is to act as an agent for performing artists.

The directors do not recommend the payment of a dividend (2005 -£nil).

As shown in the company's profit and loss account on page 7, the company's turnover has increased by 19% over the prior year and operating profit has decreased by 79% over the same period.

The balance sheet on page 6 of the financial statements shows the company's financial position at the year end. Net assets have increased by 9% to £5,897,514. Amounts owed by / to its parent company, group and fellow subsidiary undertakings are shown in notes 10 and 12 to the financial statements.

Key performance indicators used by the Live Nation Inc group are cost of sales margins, spend per head, number of shows, admits and percentage capacity.

Systems and procedures are in place to identify, assess and mitigate major business risks that could impact the company. Monitoring exposure to risk and uncertainty is an integral part of the company's structured management processes. The principal risks that the company faces are operational risk, competition, regulatory and legislative impacts, recruitment and retention of staff and maintenance of reputation.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and as at 31 December 2006, and the changes since, are as follows:-

B Dickins
S Douglas (appointed 12 July 2006)
P Latham
R MacSween
C Pernow (resigned 10 September 2007)
A Ridgeway (appointed 10 September 2007)

None of the directors had any interests in the share capital of the company at any time during the year or at 31 December 2006.

ELECTIVE RESOLUTIONS

The company has passed resolutions under sections 252, 366A and 386 of the Companies Act 1985 dispensing with the requirements to lay financial statements and reports before the Company in general meetings, hold Annual General Meetings and reappoint auditors each year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

At the date of approving this report, so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware. The director confirms that he has taken all necessary steps, as directors, to make himself aware of any relevant audit information and to establish that the company's auditors are aware of this information.

Gricind Limited

DIRECTORS' REPORT

AUDITORS

Ernst & Young LLP will be reappointed as the Company's auditor in accordance with the elective resolution passed by the Company under section 386 of the Companies Act 1985.

On behalf of the Board

S Douglas



Date

29/10/09

Gricind Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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 AUDITORS' REPORT TO THE MEMBERS OF GRICIND LIMITED

We have audited the company's financial statements for the year ended 31 December 2006 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet, and the related notes 1 to 19. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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 auditors

The directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

Ernst & Young LLP
Registered Auditor

Gricind Limited

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006 £	2005 £
TURNOVER	2	5,480,864	4,592,342
Operating expenses		(5,561,606)	(3,821,761)
		<hr/>	<hr/>
		(80,742)	770,581
Other operating income		276,596	184,375
		<hr/>	<hr/>
OPERATING PROFIT	3	195,854	954,956
Interest receivable	6	275,158	249,067
Bank interest payable		(1,039)	(705)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		469,973	1,203,318
Tax on profit on ordinary activities	7	(172,613)	(841,610)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		297,360	361,708
Retained profit brought forward		5,426,541	5,064,833
		<hr/>	<hr/>
RETAINED PROFIT FOR THE FINANCIAL YEAR	16	5,723,901	5,426,541
		<hr/>	<hr/>

All the company's operations are continuing.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2006

There are no gains or losses in the year other than the profit for the year of £469,973 (2005 - profit of £361,708).

Gricind Limited

BALANCE SHEET AS AT 31 DECEMBER 2006

	Notes	2006 £	2005 £
FIXED ASSETS			
Tangible fixed assets	8	142,418	168,564
Investments	9	10,000	10,000
		<u>152,418</u>	<u>178,564</u>
CURRENT ASSETS			
Debtors	10	6,312,844	4,541,009
Cash at bank	11	3,621,171	3,724,915
		<u>9,934,015</u>	<u>8,265,924</u>
CREDITORS: amounts falling due within one year	12	(4,361,532)	(3,016,947)
		<u>5,572,483</u>	<u>5,248,977</u>
NET CURRENT ASSETS			
		<u>5,724,901</u>	<u>5,427,541</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>5,724,901</u>	<u>5,427,541</u>
CAPITAL AND RESERVES			
Called up share capital	15,16	1,000	1,000
Profit and loss account	16	5,723,901	5,426,541
		<u>5,724,901</u>	<u>5,427,541</u>
EQUITY SHAREHOLDERS' FUNDS	16	<u>5,724,901</u>	<u>5,427,541</u>

Signed on behalf of the Board on



S Douglas

Date 29/10/07

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2006

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

The financial statements present information about the company as an individual undertaking and not about its group. The company is not required to prepare group financial statements as it is a wholly-owned subsidiary of a UK company.

Tangible fixed assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value based on prices prevailing at the date of acquisition or revaluation, of each asset evenly over its expected useful life as follows:

Motor vehicles	- straight line over 4 years
Fixtures, fittings and equipment	- straight line over 3 to 7 years
Leasehold property	- over the duration of the lease

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Deferred taxation

In accordance with FRS 19 (Deferred Tax), full provision is made for deferred tax arising from timing differences between the differing treatment of certain items for taxation and accounting purposes. The provision is calculated at the rates of taxation at which it is estimated the liability will arise and is not discounted.

No provision is made in respect of timing differences arising from the sale or revaluation of fixed assets unless there is a commitment to the disposal of the assets at the balance sheet date. No provision is made for the tax which would become payable on the distribution of retained profits by foreign subsidiaries, associates or joint ventures, unless there is an intention to distribute such retained earnings giving rise to a charge.

Provision on timing differences arising when an asset is continuously revalued to fair value is only made where changes in fair value are recognised in the profit and loss account. Deferred tax assets are recognised only to the extent that the directors consider there to be suitable taxable profits from which the underlying timing differences can be deducted.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Leasing commitments

Rentals payable under operating leases are charged in the profit and loss account on a straight-line basis over the lease term.

Pensions

The company operates a defined contribution scheme where pension contributions are charged against profits in the accounting period in which they arise.

Gricind Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2006

ACCOUNTING POLICIES CONTINUED

Statement of cash flows

The directors have taken advantage of the exemption available under FRS 1 (revised), and have not reported a statement of cash flows. A cash flow statement is available in the financial statements of the ultimate parent undertaking.

2 TURNOVER

Turnover, which is stated net of value added tax, represents the amounts derived from the provision of goods and services which fall within the company's ordinary activity of acting as agents for performing artists. All turnover arises in the United Kingdom.

3 OPERATING PROFIT

This is stated after charging:

	2006	2005
	£	£
Depreciation of fixed assets	57,204	70,946
Operating lease charge - land and buildings	140,562	143,295
Operating lease charge - motor vehicle	22,980	22,980
Exchange (gains) / losses	44,644	(10,054)
Auditors remuneration	10,000	10,000
Directors' emoluments (note 5)	1,971,679	778,283
Loss / (profit) on sale of fixed assets	-	683
Staff costs (note 4)	3,960,684	1,771,961

4 STAFF COSTS

Staff costs (including directors) were as follows:

	2006	2005
	£	£
Wages and salaries	2,989,861	1,454,746
Social security costs	384,157	217,215
Pensions	586,666	100,000
	3,960,684	1,771,961

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

	No.	No.
Administration staff	22	19

5 DIRECTORS' EMOLUMENTS

	2006	2005
	£	£
Emoluments including benefits in kind	1,230,456	608,558
Social security costs	154,557	69,725
Amounts paid to company pensions scheme	586,666	100,000
	1,971,679	778,283

Gricind Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2006

DIRECTORS' EMOLUMENTS CONTINUED

The amounts in respect of the highest paid director are as follows:

	2006	2005
	£	£
Emoluments	921,457	367,359
Social security costs	115,005	44,388
Amounts paid to company pensions scheme	293,333	50,000
	<u>1,329,795</u>	<u>461,747</u>

6 INTEREST RECEIVABLE

	2006	2005
	£	£
Interest received from loan to group undertaking	222,944	199,705
Bank interest received	52,214	49,362
	<u>275,158</u>	<u>249,067</u>

7 TAX ON PROFIT ON ORDINARY ACTIVITIES

a) Analysis of tax charge in the year

	2006	2005
	£	£
Current Tax:		
UK Corporation Tax on profits for the year	196,954	422,542
Adjustments in respect of previous years	2,397	419,068
	<u>199,351</u>	<u>841,610</u>
Deferred Tax:		
Origination and reversal of timing differences	(26,738)	-
	<u>(26,738)</u>	<u>-</u>
Total deferred tax		
	<u>172,613</u>	<u>419,068</u>

Gricind Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2006

TAX ON PROFIT ON ORDINARY ACTIVITIES CONTINUED

b) Factors affecting the current tax charge for the year

The difference between the total current tax charge shown above and the amount calculated by applying the standard rate of UK Corporation Tax of 30% to the profit before tax is as follows:

	2006 £	2005 £
Profit on ordinary activities before taxation	469,973	1,203,318
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	140,992	360,995
Effects of:		
Expenses not deductible for tax purposes	53,088	53,339
Depreciation in excess of capital allowances/(capital allowances in excess of depreciation)	(1,826)	2,097
Group relief surrendered / (utilised)	-	-
Adjustments to tax charge in respect of previous years	2,397	419,068
Short term timing differences	4,700	6,111
Current tax charge for the year	199,351	841,610

The 2005 and 2006 adjustment to the tax charge in respect of previous periods principally relates to the amount of group relief available for utilisation.

8 TANGIBLE FIXED ASSETS

	Leasehold property £	Fixtures, fittings and equipment £	Total £
Cost:			
At 1 January 2006	221,177	205,663	426,840
Additions	-	31,058	31,058
Disposals	-	-	-
At 31 December 2006	221,177	236,721	457,898
Depreciation:			
At 1 January 2006	106,513	151,763	258,276
Provided during the year	34,610	22,594	57,204
Disposals	-	-	-
At 31 December 2006	141,123	174,357	315,480
Net book value:			
At 31 December 2006	80,054	62,364	142,418
At 31 December 2005	114,664	53,900	168,564

Gricind Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2006

9 INVESTMENTS

	2006	2005
	£	£
Shares in subsidiary undertaking at cost	10,000	10,000

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

<i>Name of company (all incorporated in England and Wales)</i>	<i>Nature of business</i>	<i>Holding</i>	<i>Class of share</i>
<i>Subsidiary undertakings</i>			
International Talent Booking Limited	Concert promotions	Ordinary shares	100%

10 DEBTORS

	2006	2005
	£	£
Trade debtors	41,205	76,053
Amounts due from subsidiary undertakings	313,671	265,918
Amounts owed from group companies	5,004,370	3,798,458
Other debtors	17,745	-
Other taxation and social security	26,738	-
Prepayments and accrued income	909,115	400,580
	<u>6,312,844</u>	<u>4,541,009</u>

11 CASH

Included in cash is £1,848,061 (2005 - £1,119,181) of cash received from promoters for shows taking place in the future. The majority of this cash will be paid to the appropriate artists on performance of the shows.

12 CREDITORS: amounts falling due within one year

	2006	2005
	£	£
Bank overdraft	-	316,989
Trade creditors	1,807,777	1,111,140
Amounts owed to group undertakings	85,641	85,017
Other taxation and social security costs	717,381	355,191
Corporation tax	1,067,699	841,610
Accruals	683,034	307,000
	<u>4,361,532</u>	<u>3,016,947</u>

Gricind Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2006

13 DEFERRED TAXATION

	2006	2005
	£	£
Deferred Taxation	(26,738)	-

Deferred Taxation

Deferred taxation provided is as follows:

	2006	2005
	£	£
Balance brought forward at the beginning of the year	-	-
Profit and loss account (credit)	(26,738)	-
Deferred tax (asset) at 31 December	(26,738)	-

Details of the deferred taxation asset are given below:

	2006	2005
	£	£
(Deferred) capital allowances	(8,427)	-
Short term timing differences	(18,311)	-
Deferred tax provided at 30%	(26,738)	-

Details of the deferred tax asset not provided in the accounts are given below:

	2006	2005
	£	£
Deferred capital allowances	-	(10,253)
Short term timing differences	-	(13,611)
Deferred tax not provided at 30%	-	(23,864)

14 PENSION COMMITMENTS

The company operates a defined contribution pension scheme for its directors and employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The unpaid contributions outstanding at the year end, included in accruals (note 11), are £nil (2005 - nil).

Gricind Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2006

15 SHARE CAPITAL

	<i>Authorised</i>		<i>Allotted, called up and fully paid</i>	
	2006	2005	2006	2005
	£	£	£	£
Ordinary shares of £1 each	1,000	1,000	1,000	1,000

16 RESERVES

	Share capital £	Profit and loss account £	Total £
At 1 January 2005	1,000	5,426,541	5,427,541
Profit for the year	-	297,360	297,360
At 31 December 2006	1,000	5,723,901	5,724,901

17 OTHER FINANCIAL COMMITMENTS

At 31 December 2006 the company had annual commitments under a non-cancellable operating lease as set out below:

	2006 £	2005 £
	Land & Buildings	Land & Buildings
Operating lease which expires: Between two and five years	140,562	140,562

18 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions conferred by FRS 8 (Related Party Disclosures) allowing it not to disclose details of transactions with other group undertakings.

19 ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is Live Nation UK Holdings, a company incorporated in the United Kingdom.

The company's ultimate parent undertaking and controlling party is Live Nation Inc., a company incorporated in the United States of America. This is the smallest group of companies for which group financial statements are prepared.

Copies of the consolidated financial statements of Live Nation Inc. are available from 9348 Civic Centre Drive, Beverly Hills, California, 90210, United States of America.