

GRICIND LIMITED

Report and Financial Statements

31 December 2014

Registered No. 01227150

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COMPANIES HOUSE

Gricind Limited

COMPANY INFORMATION

DIRECTORS

B Dickins

R MacSween

AUDITOR

Ernst & Young LLP

1 More London Place

London

SE1 2AF

BANKERS

Barclays Bank plc

Level 27

One Churchill Place

London

E14 5HP

REGISTERED OFFICE

5th Floor

89 New Bond Street

London

W1S 1DA

STRATEGIC REPORT **for the year ended 31 December 2014**

The directors present their strategic report for the year ended 31 December 2014.

REVIEW OF THE BUSINESS

The principal activity of the company continues to be that of acting as an agent for performing artists.

The profit after tax for the year ended 31 December 2014 was £292,161 (2013 - £153,698).

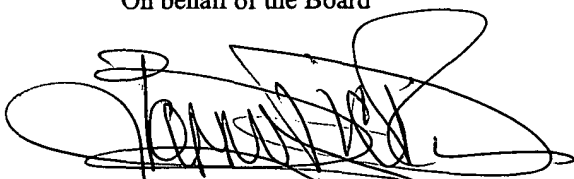
As shown in the company's profit and loss account on page 6, the company's turnover has decreased by 5% over the prior year to £7,918,102 and operating profit has decreased by 56% over the prior year to £50,284.

The balance sheet on page 7 of the financial statements shows the company's financial position at the year end. Net assets have decreased to £1,000 compared with £1,258,839 in the prior year.

PRINCIPAL RISKS AND UNCERTAINTIES

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.

On behalf of the Board



B. DICKINS

Director

Date: 18 September 2015

Gricind Limited

DIRECTORS' REPORT

The directors present their directors report and financial statements for the year ended 31 December 2014.

The directors who served during the year and as at 31 December 2014 were as follows:

B Dickins	
S Douglas	(resigned 31 December 2014)
P Latham	(resigned 31 December 2014)
S Lewis	(resigned 31 December 2014)
R MacSween	

S Emeny resigned as secretary on 31 December 2014.

DIVIDENDS

On 19 December 2014 a dividend of £1,550,000 was paid to ordinary shareholders (2013 – £nil).

FUTURE DEVELOPMENTS

The company was acquired by ITB Agency Limited on 31 December 2014. As a result of the acquisition, the directors anticipate that the level of trading will reduce in 2015 and thereafter. The directors intend that the company will primarily be a holding company going forward.

GOING CONCERN

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements. Please refer to the accounting policies note 1 on page 8.

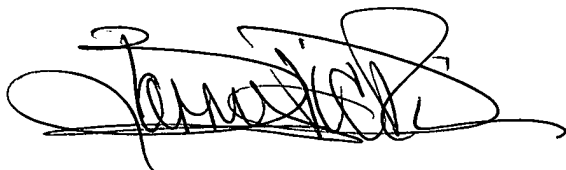
EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF DISABLED PERSONS

The employees of the company are systematically provided with information on matters which concern them as employees. Employees or their representation are regularly consulted when decisions are taken which are likely to affect their interests. The directors continue to provide information to employees in order to achieve employee awareness of financial and economic factors affecting the company. The company maintains a policy of giving fair consideration to applications for employment made by disabled persons having regard to their particular aptitudes and abilities. In the event of an employee becoming disabled, the company uses its best endeavors to ensure continued employment.

DISCLOSURE OF INFORMATION TO AUDITOR

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its reports, of which the auditor is unaware. Having made enquiries of fellow directors and the group's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

On behalf of the Board



B. DICKINS

Director

Date: 18 September 2015

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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 of the profit or loss of the company for the 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; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for keeping proper 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 GRICIND LIMITED

We have audited the financial statements of Gricind Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes 1 to 18. 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 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

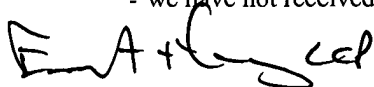
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and 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.



Paul Gordon (Senior Statutory Auditor)
for and behalf of Ernst & Young LLP, Statutory Auditor
London

Date: 18 September 2015

Gricind Limited

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
TURNOVER	3	7,918,102	8,362,676
Cost of sales		(3,578,585)	(3,855,716)
GROSS PROFIT		4,339,517	4,506,960
Administrative costs		(4,300,711)	(4,594,775)
Other operating income		11,478	202,779
OPERATING PROFIT	4	50,284	114,964
Income from fixed asset investment		149,026	-
Interest receivable and similar income	6	70,418	31,236
Interest payable and similar charges	7	-	(1,075)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		269,728	145,125
Tax on profit on ordinary activities	8	22,433	8,573
PROFIT FOR THE FINANCIAL YEAR	15	292,161	153,698

All the company's operations are continuing.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2014

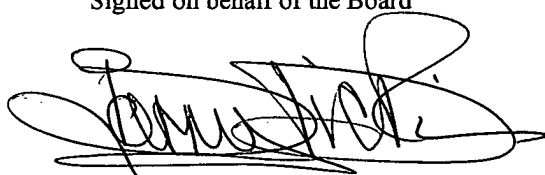
There are no recognised gains or losses other than as stated in the profit and loss account.

Gricind Limited

BALANCE SHEET AS AT 31 DECEMBER 2014

	Notes	2014 £	Re-stated 2013 £
FIXED ASSETS			
Tangible fixed assets	9	23,313	76,397
Investments	10	-	-
		<u>23,313</u>	<u>76,397</u>
CURRENT ASSETS			
Debtors	11	499,320	3,419,140
Cash at bank and in hand	2	2,657,362	970,054
		<u>3,156,682</u>	<u>4,389,194</u>
CREDITORS: amounts falling due within one year	2, 12	<u>(3,178,995)</u>	<u>(3,206,752)</u>
NET CURRENT (LIABILITIES) / ASSETS		<u>(22,313)</u>	<u>1,182,442</u>
NET ASSETS		<u>1,000</u>	<u>1,258,839</u>
CAPITAL AND RESERVES			
Called up share capital	14, 15	1,000	1,000
Profit and loss account	15	-	1,257,839
EQUITY SHAREHOLDERS' FUNDS	15	<u>1,000</u>	<u>1,258,839</u>

Signed on behalf of the Board



B. DICKINS
Director

Date: 18 September 2015

Registered No. 01227150

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2014

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. Accounting policies for all material transactions have been applied consistently unless otherwise stated, and are set out below.

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' Report on page 3.

The company has net assets, is profit making and has a considerable cash balance. However, due to the reduction in net assets since prior year, the immediate parent company has committed to provide financial support to the company to allow it to meet its debts for the foreseeable future.

Based on the above the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Group financial statements

The company is exempt from preparing Group financial statements under Section 401 of the Companies Act 2006 as it is a wholly owned subsidiary undertaking. Accordingly, these financial statements present information about the company and not its Group.

Investments

Investments held as fixed assets are stated at cost less amounts written off where appropriate. Provisions are made for permanent diminutions in value.

Interest income

Revenue is recognised as interest accrues using the interest rate determined by the loan agreement or the prevailing interest rate.

Income from fixed asset investments

Revenue is recognised when the company's right to receive payment is established.

Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation.

Fixed assets are depreciated so as to write them off over their anticipated useful lives on a straight line basis as follows:

Leasehold property	- over the term of the lease
Equipment and fixtures and fittings	- 3 - 7 years

Leased assets

All leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

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 exchange differences are taken to the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2014

1 ACCOUNTING POLICIES (CONTINUED)

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.

2 PRIOR YEAR RESTATEMENT

Monies held, on behalf of third parties, in designated client accounts are no longer being incorporated in the Company's financial statements.

In the prior year an amount of £13,404,860 was included in Cash at Bank and in Trade Creditors in respect of these accounts. These amounts have been removed in the re-stated comparatives within these accounts.

This restatement has had no effect on the retained profit or tax liability of the company

3 TURNOVER

Turnover, which excludes value added tax, represents amounts due from the company's principal business, that of acting as an agent for performing artists. All turnover is derived in the United Kingdom. In addition, the company has not carried on substantially different businesses or significantly different markets that would require disclosure under SI 2008 (paragraph 68) of the Companies Act 2006.

4 OPERATING PROFIT

This is stated after charging:

	2014	2013
	£	£
Depreciation	54,646	35,969
Auditor's remuneration - audit services	21,696	21,302
Currency exchange loss	22,689	78,547
Operating lease rentals – land and buildings	208,506	228,901
Loss on sale of fixed assets	-	669
	<u> </u>	<u> </u>

5 STAFF COSTS

	2014	2013
	£	£
Wages and salaries	5,447,951	5,809,039
Social security costs	722,025	773,654
	<u> </u>	<u> </u>
	6,169,976	6,582,693
	<u> </u>	<u> </u>

Gricind Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2014

5 STAFF COSTS (CONTINUED)

Directors' emoluments included in the staff costs above are:

	2014	2013
	£	£
Emoluments, including benefits in kind	3,314,080	3,136,866
Social security costs	455,270	430,763
Pension contributions under defined contribution schemes		-
	<u>3,769,350</u>	<u>3,567,629</u>
Highest paid director:	2014	2013
	£	£
Emoluments, including benefits in kind	2,646,529	2,332,003
Social security costs	364,123	320,754
	<u>3,010,652</u>	<u>2,652,757</u>

Two directors received remuneration from the company during the year ended 31 December 2014 (2013 - two directors).

Included in staff costs above is a provision for bonus of £158,825 (2013 - £452,658) inclusive of employers National Insurance Contributions. Two directors are entitled to share in a portion of this bonus pool, but as the final allocation of the pool has yet to be apportioned, the emoluments reflected in respect of the directors do not include any provision in this respect.

6 INTEREST RECEIVABLE AND SIMILAR INCOME

	2014	2013
	£	£
Bank interest receivable	663	1,028
Interest receivable on group undertaking loans	69,755	30,208
	<u>70,418</u>	<u>31,236</u>

7 INTEREST PAYABLE AND SIMILAR CHARGES

	2014	2013
	£	£
Bank interest payable	-	1,075
	<u>-</u>	<u>1,075</u>

8 TAX ON PROFIT ON ORDINARY ACTIVITIES

a) Analysis of tax (credit) in the year

	2014	2013
	£	£
Current tax:		
UK Corporation Tax on profits for the year	7,142	21,955
Adjustments in respect of previous years	-	472
Foreign tax	7,142	21,955
Double tax relief	(7,142)	(21,955)
	<u>7,142</u>	<u>22,427</u>
Total current tax (note 8(b))	7,142	22,427

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2014

8 TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

Deferred tax:

Origination and reversal of timing differences	12,814	(14,804)
Changes in tax rates and laws	-	3,991
Adjustments to the estimated recoverable amounts of deferred tax assets	(42,389)	(20,187)
Total deferred tax	(29,575)	(31,000)
Total tax (credit)	(22,433)	(8,573)

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 21.5% (2013 - 23.25%) to the profit before tax is as follows:

	2014 £	2013 £
Profit on ordinary activities before taxation	269,728	145,125
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%)	57,971	33,737
Effects of:		
Expenses not deductible for tax purposes and imputed income	4,200	20,983
Depreciation in excess of capital allowances	4,499	13,256
Group relief (utilised)	(41,259)	(49,973)
Adjustments to tax charge in respect of previous years	-	472
Short term timing differences	(18,269)	3,952
Current tax charge for the year (note 8(a))	7,142	22,427

9 TANGIBLE FIXED ASSETS

	Leasehold property £	Equipment and fixtures and fittings £	Total £
Cost:			
At 1 January 2014	253,141	244,369	497,510
Additions	-	1,562	1,562
At 31 December 2014	253,141	245,931	499,072
Depreciation:			
At 1 January 2014	237,454	183,659	421,113
Charge for the year	15,687	38,959	54,646
At 31 December 2014	253,141	222,618	475,759
Net book value:			
At 31 December 2014	-	23,313	23,313
At 31 December 2013	15,687	60,710	76,397

Gricind Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2014

10 FIXED ASSET INVESTMENTS

	Investment in subsidiary £
Cost	
At 1 January 2014	10,000
At 31 December 2014	10,000
Amounts provided	
At 1 January 2014	10,000
At 31 December 2014	10,000
Net book value at 31 December 2014	-
Net book value at 31 December 2013	-

At 31 December 2014 the company held 100% of the issued share capital of the following company:

<i>Name of company</i>	<i>Share holding type</i>	<i>Nature of business</i>	<i>Country of incorporation and operation</i>
International Talent Booking Limited	Ordinary	Concert promotions	UK

11 DEBTORS

	2014 £	2013 £
Trade debtors	7,814	2,985
Amounts owed by group undertakings	215,801	2,876,454
Prepayments and accrued income	31,855	280,628
Deferred taxation (note 13)	91,174	61,599
Other debtors	152,676	5,064
Other taxation and social security	-	192,410
	499,320	3,419,140

Gricind Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2014

12 CREDITORS: amounts falling due within one year

	2014	Re-stated 2013
	£	£
Trade creditors (note 2)	20,123	21,850
Amounts owed to group undertakings	-	45,692
Other taxation and social security	1,483,507	1,322,717
Accruals and deferred income	1,675,365	1,816,493
	<u>3,178,995</u>	<u>3,206,752</u>

13 DEFERRED TAXATION

	2014	2013
	£	£
Deferred tax (asset) at 1 January 2014 / 2013	(61,599)	(30,599)
Profit and loss (credit)	(29,575)	(34,991)
Changes in tax rates and laws	-	3,991
	<u>(91,174)</u>	<u>(61,599)</u>

Details of the provision for deferred taxation asset are given below:

	2014	2013
	£	£
Depreciation in excess of capital allowances	(27,815)	(23,842)
Short term timing differences	(63,359)	(37,757)
	<u>(91,174)</u>	<u>(61,599)</u>

The Finance Act 2013, which received Royal Assent on 17 July 2013 reduced the main rate of corporation tax from 23% to 21% from 1 April 2014 and to 20% from 1 April 2015.

As a result of these changes, the current rate of tax for the year ended 31 December 2014 has fallen to 21.5% and will fall to 20.25% for the year ended 31 December 2015 and 20% for the year ended 31 December 2016. Deferred tax has been provided at 20% in these accounts and will remain at this rate for the foreseeable future.

14 SHARE CAPITAL

	2014 Number	2013 Number	2014 £	2013 £
<i>Allotted, called up and fully paid</i>				
Equity ordinary shares of £1 each	1,000	1,000	1,000	1,000

Gricind Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2014

15 RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS

	Share capital £	Profit and loss account £	Total £
At 1 January 2014	1,000	1,257,839	1,258,839
Profit for the year	-	292,161	292,161
Dividends paid	-	(1,550,000)	(1,550,000)
At 31 December 2014	1,000	-	1,000

16 LEASE COMMITMENTS

The company has annual operating lease commitments as follows:

	2014 £	2013 £
	Land & Buildings	Land & Buildings
Operating lease which expires: Within one year	-	238,535
	-	238,535

17 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under FRS 8 not to disclose transactions with group undertakings as a subsidiary which is 100% owned by the ultimate parent undertaking.

18 ULTIMATE PARENT UNDERTAKING

On 31 December 2014 the entire ordinary share capital of the company was acquired by ITB Agency Limited, a company incorporated in the United Kingdom. ITB Agency Limited is controlled by B Dickins and R MacSween, both directors of the company.