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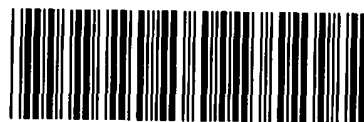
**SHOWSEC INTERNATIONAL LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**SHOWSEC INTERNATIONAL LIMITED**

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**COMPANY INFORMATION**

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**Directors**

M Harding  
S Battersby  
M Logan  
G van Duijkeren

**Company secretary**

G van Duijkeren

**Registered number**

02187286

**Registered office**

Regent House  
16 West Walk  
Leicester  
LE1 7NA

**Independent auditor**

Grant Thornton UK LLP  
Chartered Accountants & Statutory Auditor  
Regent House  
80 Regent Road  
Leicester  
LE1 7NH

**Bankers**

HSBC Bank PLC  
60 Queen Victoria Street  
London  
EC4N 4TR

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**SHOWSEC INTERNATIONAL LIMITED**

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## SHOWSEC INTERNATIONAL LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Principal activity

The principal activity of the company is the provision of event security and crowd management services.

#### Business review

The pandemic annulled operational output in the events industry reducing the company's portfolio of work to zero from the beginning of April 2020. In response, the Company successfully acquired work in the guarding of assets, enforcement of social distancing in retail and public domains and in other temporary environments generated by the consequences of the pandemic. Turnover decreased from £31,088,381 in 2019 to £15,282,897 in 2020. Profit reduced from £1,433,609 in 2019 to £117,391 in 2020.

The Board of Directors reacted to the economic challenges by immediately reducing overheads, imposing strict financial controls and utilising government support schemes. It is in a strong position to achieve a transition to full recovery and further development.

The Company was a core participant in the Manchester Arena inquiry, an independent public inquiry to investigate the deaths of the victims of the 2017 Manchester Arena terror attack.

#### Principal risks and uncertainties

The event security market has been significantly negatively impacted by COVID19, as such this may impair attractiveness to potential applicants from joining the sector's staffing pool due to job security issues. The attractiveness to recruitment maybe further affected by changes to SIA licence processing with additional days of training required.

The sector may also bear additional risk from the solvency of client operators who may not have a sustainable operating capital to reopen post COVID19 lockdowns.

#### Key performance indicators

The Board of Directors continues to measure financial performance, resource output in terms of skill sets, numbers of engaged personnel and hours worked, operational performance and compliance.

This report was approved by the board on 24/5/2021 and signed on its behalf.



**M Harding**  
Director

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## SHOWSEC INTERNATIONAL LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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The directors present their report and the financial statements for the year ended 31 December 2020.

#### Results and dividends

The profit for the year, after taxation, amounted to £137,959 (2019: £1,259,156).

Dividends of £Nil (2019: £1,429,728) were paid during the year.

#### Directors

The directors who served during the year were:

M Harding  
S Battersby  
M Logan  
G van Duijkeren

#### 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 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 they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### Political contributions

The company made no political contributions during the year (2019: £Nil).

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**SHOWSEC INTERNATIONAL LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Financial Risk Management**

The company is managed on a group basis and the principal risks and uncertainties facing it are therefore integrated with those facing the Live Nation group as a whole. Accordingly, the nature of risk and its management are further detailed in the annual review and accounts of Live Nation Entertainment, Inc., which are available from the Live Nation website ([www.livenation.com](http://www.livenation.com)).

**Going concern**

The financial statements have been prepared on a going concern basis and under the historical cost convention. Subsequent to the year end, the Company obtained a letter of support from Live Nation Entertainment Inc, which is the Company's ultimate parent undertaking and controlling party. This letter confirms that, if required by the Company, Live Nation will provide support for the ongoing operations of the Company for at least 12 months from the date of approval of these financial statements.

After considering the year end cash position, the availability of the Group credit facility available, and after making appropriate enquiries and reviewing budgets and profit and cash flow forecasts for the foreseeable future (and in any event for a period of at least 12 months from the approval date of these financial statements), the Directors have formed a judgement at the time of approving the financial statements that there is a reasonable expectation that the Company has sufficient resources to continue in operational existence for the foreseeable future. For this reason, the Directors consider the adoption of the going concern basis in preparing the financial statements is appropriate. The future prospects of the business are further detailed in the Strategic Report.

**Future developments**

The Company is focussed on a phased return to normal trading. It continues to invest in its bespoke IT system and the professional development of its workforce.

**Engagement with employees**

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.

**Disabled employees**

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 endeavours to ensure continued employment. The company also ensures it provides appropriate training, career development and promotion opportunities for disabled persons employed by the company.

**Disclosure of information to auditor**

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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**SHOWSEC INTERNATIONAL LIMITED**

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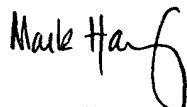
**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Auditor**

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 on 24/5/2021 and signed on its behalf.



**M Harding**  
Director



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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHOWSEC INTERNATIONAL LIMITED

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### Opinion

We have audited the financial statements of Showsec International Limited (the 'company') for the year ended 31 December 2020, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 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.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.





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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHOWSEC INTERNATIONAL LIMITED  
(CONTINUED)**

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Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHOWSEC INTERNATIONAL LIMITED  
(CONTINUED)**

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**Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which 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.

**Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHOWSEC INTERNATIONAL LIMITED  
(CONTINUED)**

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**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- we obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (United Kingdom Generally Accepted Accounting Practice, the Companies Act 2006) and the relevant tax compliance regulations in the jurisdiction in which the company operates. We enquired of management, whether they were aware of any instances of noncompliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud. We reviewed correspondence with the Pension Regulator.
- we assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management and evaluating management's incentives and opportunities for manipulation of the financial statements. We considered the risk of fraud to be higher through the potential for management override of controls.
- audit procedures performed by the engagement team included:
  - testing manual journals entries, including journal entries determined to be large or with unusual user posting characteristics;
  - challenging assumptions and judgements made by management in its estimate of depreciation and amortisation rate.
- assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - understanding of the financial reporting framework and the relevant tax compliance regulations specific to the entity.
- we did not identify any matters relating to non-compliance with laws and regulation and fraud.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHOWSEC INTERNATIONAL LIMITED  
(CONTINUED)**

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**Use of our report**

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.

*Grant Thornton UK LLP*

Jane Jones BSc(Hons) FCA  
Senior statutory auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Leicester  
Date: 24/5/2021

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**SHOWSEC INTERNATIONAL LIMITED**


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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020**


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	Note	2020 £	2019 £
Turnover	4	15,282,897	31,088,381
Cost of sales		(11,193,386)	(23,325,444)
<b>Gross profit</b>		<b>4,089,511</b>	<b>7,762,937</b>
Administrative expenses		(4,938,688)	(6,341,727)
Other operating income	5	963,236	-
<b>Operating profit</b>	6	<b>114,059</b>	<b>1,421,210</b>
Interest receivable and similar income	10	3,332	12,399
<b>Profit before tax</b>		<b>117,391</b>	<b>1,433,609</b>
Tax on profit	11	20,568	(174,453)
<b>Total comprehensive income for the year</b>		<b>137,959</b>	<b>1,259,156</b>

The notes on pages 13 to 29 form part of these financial statements.

**SHOWSEC INTERNATIONAL LIMITED**  
**REGISTERED NUMBER:02187286**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	13	8,775	43,483
Tangible assets	14	82,328	5,832
		<u>91,103</u>	<u>49,315</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	15	583	41,638
Debtors: amounts falling due within one year	15	4,192,861	5,249,234
Cash at bank and in hand	16	2,435,617	2,383,644
		<u>6,629,061</u>	<u>7,674,516</u>
Creditors: amounts falling due within one year	17	(4,305,360)	(5,446,986)
<b>Net current assets</b>		<u>2,323,701</u>	<u>2,227,530</u>
<b>Total assets less current liabilities</b>		<u>2,414,804</u>	<u>2,276,845</u>
<b>Net assets</b>		<u><u>2,414,804</u></u>	<u><u>2,276,845</u></u>
<b>Capital and reserves</b>			
Called up share capital	19	106	106
Share premium account	20	196,203	196,203
Profit and loss account	20	2,218,495	2,080,536
		<u>2,414,804</u>	<u>2,276,845</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24/5/2021

Mark Harding  
**M Harding**  
 Director

The notes on pages 13 to 29 form part of these financial statements.

## SHOWSEC INTERNATIONAL LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020	106	196,203	2,080,536	2,276,845
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	137,959	137,959
<b>Total comprehensive income for the year</b>	-	-	137,959	137,959
<b>Total transactions with owners</b>	-	-	-	-
<b>At 31 December 2020</b>	<b>106</b>	<b>196,203</b>	<b>2,218,495</b>	<b>2,414,804</b>

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2019	106	196,203	2,251,108	2,447,417
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,259,156	1,259,156
<b>Total comprehensive income for the year</b>	-	-	1,259,156	1,259,156
Dividends: Equity capital	-	-	(1,429,728)	(1,429,728)
<b>Total transactions with owners</b>	-	-	(1,429,728)	(1,429,728)
<b>At 31 December 2019</b>	<b>106</b>	<b>196,203</b>	<b>2,080,536</b>	<b>2,276,845</b>

The notes on pages 13 to 29 form part of these financial statements.

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## SHOWSEC INTERNATIONAL LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1. General information

Showsec International Limited is a private company limited by shares. It was incorporated in England and its registered office is Regent House, 16 West Walk, Leicester, LE1 7NA. The principal activity of the company is the provision of security and crowd management services for high profile and public events such as music concerts and sporting events.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK 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 judgement in applying the Company's accounting policies (see note 3).

The financial statements have been prepared on a going concern basis and under the historical cost convention. Subsequent to the year end, the Company obtained a letter of support from Live Nation Entertainment Inc, which is the Company's ultimate parent undertaking and controlling party. This letter confirms that, if required by the Company, Live Nation will provide support for the ongoing operations of the Company for at least 12 months from the date of approval of these financial statements.

After considering the year end cash position, the availability of the Group credit facility available, and after making appropriate enquiries and reviewing budgets and profit and cash flow forecasts for the foreseeable future (and in any event for a period of at least 12 months from the approval date of these financial statements), the Directors have formed a judgement at the time of approving the financial statements that there is a reasonable expectation that the Company has sufficient resources to continue in operational existence for the foreseeable future. For this reason, the Directors consider the adoption of the going concern basis in preparing the financial statements is appropriate. The future prospects of the business are further detailed in the Strategic Report.

The following principal accounting policies have been applied:

##### 2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A.



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**SHOWSEC INTERNATIONAL LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)****2.3 Revenue**

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Turnover from the supply of services is recognised on delivery of those services. Where turnover represents the value of services provided under contracts it is phased equally over the duration of the contract at the value of the consideration date.

Where a contract has only been partially completed at the balance sheet date turnover represents the value of the service provided to date based on a proportion of the total contract value. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year or after more than one year.

**2.4 Government grants**

Income from government grants is recognised in the Statement of Comprehensive Income over the same period as the costs to which the grants relate, and is only recognised once there is a reasonable assurance that the company has complied with the conditions of the grant and that the grant will be received.

**2.5 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Software:	2 years
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**SHOWSEC INTERNATIONAL LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)****2.6 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.

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.

Depreciation is provided on the following basis:

Equipment, furniture & fittings: 2 to 4 years

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 in profit or loss.

**2.7 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.

**2.8 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.

**2.9 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.

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**SHOWSEC INTERNATIONAL LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.10 Foreign currency translation**

**Functional and presentation currency**

The company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

**2.11 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.

**2.12 Operating leases: the company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.13 Pensions**

**Defined contribution pension plan**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

**2.14 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

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**SHOWSEC INTERNATIONAL LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.15 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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**SHOWSEC INTERNATIONAL LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**


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**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

Many of the amounts included in the financial statements involve the use of judgement and / or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements, and estimation is contained in the accounting policies and / or the notes to the financial statements and the key areas are summarised below:

**Key judgements**

Key judgements made by the directors in the preparation of these financial statements are:

- Determining when all conditions described in note 2.3 have been met for the recognition of revenue.

**Going concern**

Going concern is based on management forecast and cash flow assumptions considering current socio-economic conditions in the UK and the wider world as disclosed in note 2.1

**Sources of estimation uncertainty:**

- Bad debt provisions are based on the likely recovery of debtor balances. The bad debts provision is disclosed in note 15.
- Legal claims provisions and other provisions are estimated based upon the available information, these amounts are included in accruals as disclosed in note 17.

**4. Turnover**

The whole of the turnover is attributable to the principal activity of the entity.

	2020 £	2019 £
United Kingdom	<b>15,282,897</b>	<b>31,088,381</b>

All turnover arose within the United Kingdom.

**5. Other operating income**

	2020 £	2019 £
Furlough income	<b>963,236</b>	-

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**


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**6. Operating profit**

The operating profit is stated after charging:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	<b>31,665</b>	66,574
Amortisation of intangible assets, including goodwill	<b>32,490</b>	36,200
Exchange differences	<b>11</b>	1,140
Operating lease rentals - land and buildings	<b>179,378</b>	312,355
Operating lease rentals - plant and machinery	<b>13,140</b>	12,384
	<u><b>316,684</b></u>	<u>428,653</u>

**7. Auditor's remuneration**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	<b>30,000</b>	25,900
	<u><b>30,000</b></u>	<u>25,900</u>
<b>Fees payable to the company's auditor and its associates in respect of:</b>		
Other non-audit services	<b>2,200</b>	2,200
	<u><b>2,200</b></u>	<u>2,200</u>

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**8. Employees**

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

	2020 £	2019 £
Wages and salaries	13,218,907	23,124,356
Social security costs	860,366	1,062,974
Cost of defined contribution scheme	252,961	267,062
	<u>14,332,234</u>	<u>24,454,392</u>

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

	2020 No.	2019 No.
Casual workers	1,565	3,475
Administration staff (including directors)	122	140
	<u>1,687</u>	<u>3,615</u>

**9. Directors' remuneration**

	2020 £	2019 £
Directors' emoluments	531,683	446,257
Company contributions to defined contribution pension schemes	54,038	44,453
	<u>585,721</u>	<u>490,710</u>

During the year retirement benefits were accruing to 3 directors (2019: 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £187,470 (2019: £140,794).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £23,985 (2019: £20,302).

Key management personnel costs excluding directors remuneration amounted to £650,849 (2019: £636,561).

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**


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**10. Interest receivable**

	2020 £	2019 £
Other interest receivable	3,332	12,399

**11. Taxation**

	2020 £	2019 £
<b>Corporation tax</b>		
UK corporation tax on profits for the year	(33,756)	209,194
Adjustments in respect of previous periods	32,401	(68,609)
Adjustments in respect of previous years in respect of group relief	-	65,332
<b>Total current tax</b>	<u>(1,355)</u>	<u>205,917</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	26,208	(27,158)
Changes in tax rates and laws	(13,020)	-
Adjustments to the estimated recoverable amounts of deferred tax assets arising in previous years	(32,401)	(4,306)
<b>Total deferred tax</b>	<u>(19,213)</u>	<u>(31,464)</u>
<b>Total tax (credit)/ charge</b>	<u>(20,568)</u>	<u>174,453</u>



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FOR THE YEAR ENDED 31 DECEMBER 2020**


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**11. Taxation (continued)****Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	<u>117,391</u>	<u>1,433,609</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	22,304	272,386
<b>Effects of:</b>		
Income not taxable and corresponding adjustments	(29,852)	(93,545)
Difference in tax rates	(13,020)	3,195
Adjustments to tax charge in respect of previous years	-	(7,583)
<b>Total tax (credit)/charge for the year</b>	<u>(20,568)</u>	<u>174,453</u>

**Factors that may affect future tax charges**

The corporation tax rate was due to reduce to 17% with effect from 1 April 2020, however, the Finance Act 2020 maintained the rate of corporation tax at 19%. As such, the deferred tax balances provided in these financial statements (if applicable) are at 19%.

The government announced in the 2021 Budget a proposal to increase the main rate of corporation tax to 25% from 1 April 2023. As this proposal has not been substantively enacted at the balance sheet date, this rate change is not reflected in these financial statements.

The overall effect of this change is not material to these accounts.

**12. Dividends**

	2020 £	2019 £
Dividends paid in the year	<u>-</u>	<u>1,429,728</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**13. Intangible assets**

	<b>Software £</b>
<b>Cost</b>	
At 1 January 2020	<b>76,150</b>
At 31 December 2020	<b>76,150</b>
<b>Amortisation</b>	
At 1 January 2020	<b>32,667</b>
Correction adjustment	<b>2,218</b>
At 1 January 2020 (adjusted balance)	<b>34,885</b>
Charge for the year on owned assets	<b>32,490</b>
At 31 December 2020	<b>67,375</b>
<b>Net book value</b>	
At 31 December 2020	<b>8,775</b>
At 31 December 2019	<b>43,483</b>

Amortisation on intangible assets is charged to administrative expenses.

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FOR THE YEAR ENDED 31 DECEMBER 2020**


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**14. Tangible fixed assets**

	<b>Equipment and fixtures and fittings £</b>	<b>Radio stock £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 January 2020	8,894	-	8,894
Additions	-	113,993	113,993
Disposals	(8,894)	-	(8,894)
At 31 December 2020	-	113,993	113,993
<b>Depreciation</b>			
At 1 January 2020	3,062	-	3,062
Correction adjustment	(2,218)	-	(2,218)
At 1 January 2020 (adjusted balance)	844	-	844
Charge for the year on owned assets	-	31,665	31,665
Disposals	(844)	-	(844)
At 31 December 2020	-	31,665	31,665
<b>Net book value</b>			
At 31 December 2020	-	82,328	82,328
At 31 December 2019	5,832	-	5,832

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**SHOWSEC INTERNATIONAL LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**


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**15. Debtors**

	2020 £	2019 £
<b>Due after more than one year</b>		
Prepayments and accrued income	583	41,638
	<u>583</u>	<u>41,638</u>
<b>Due within one year</b>		
Trade debtors	1,822,104	3,693,833
Amounts owed by group undertakings	24,695	774,376
Other debtors	1,105	6,191
Prepayments and accrued income	2,181,321	664,168
Corporation tax receivable	33,757	-
Deferred taxation	129,879	110,666
	<u>4,192,861</u>	<u>5,249,234</u>

Trade debtors are stated net of a provision of doubtful debts of £225,209 (2019: £133,525).

**16. Cash and cash equivalents**

	2020 £	2019 £
Cash at bank and in hand	2,435,617	2,383,644
	<u>2,435,617</u>	<u>2,383,644</u>

**17. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors	978,806	549,347
Amounts owed to group undertakings	97,463	66,775
Corporation tax	-	137,327
Other taxation and social security	1,637,034	1,627,143
Other creditors	897,450	1,514,094
Accruals and deferred income	694,607	1,552,300
	<u>4,305,360</u>	<u>5,446,986</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**18. Deferred taxation**

	2020 £	2019 £
At beginning of year	110,666	79,202
Income statement credit	6,193	31,464
Changes in tax rates and laws	13,020	-
<b>At end of year</b>	<b>129,879</b>	<b>110,666</b>

The deferred tax asset is made up as follows:

	2020 £	2019 £
Depreciation in excess of capital allowances	86,179	64,766
Short term timing differences	43,700	45,900
	<b>129,879</b>	<b>110,666</b>

The deferred tax balances provided are expected to change by £14,000 and this should be reflected in the financial statements for the year ended 31 December 2021.

**19. Share capital**

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
1,063,831 (2019: 1,063,831) Ordinary shares of £0.0001 each	<b>106</b>	<b>106</b>

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital

**20. Reserves****Share premium account**

This represents amounts paid for share capital above par value.

**Profit and loss account**

This includes all current and prior periods retained profits and losses.

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**SHOWSEC INTERNATIONAL LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**


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**21. Pension commitments**

The company operates a defined contribution 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 and deferred income are £Nil (2019: £Nil).

**22. Commitments under operating leases**

At 31 December 2020 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
<b>Buildings and properties</b>		
Not later than 1 year	123,500	138,405
Later than 1 year and not later than 5 years	155,583	296,330
Later than 5 years	5,625	28,125
	<u>284,708</u>	<u>462,860</u>
	2020 £	2019 £
<b>Other</b>		
Not later than 1 year	<u>-</u>	<u>7,733</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**


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**23. Related party transactions**

All of the related parties are other undertakings under the common control of Live Nation Entertainment, Inc. The aggregate value of transactions with related parties during the year were as follows:

	2020 £	2019 £
<b>Sales</b>		
Live Nation (Music) UK Limited	426,213	1,136,439
The Academy Music Group Limited	845,311	4,504,285
DF Concerts Limited	-	20,960
Mama Festivals Limited	-	1,039,579
C.I. (Events) Limited	-	479,046
Cuffe & Taylor	-	467,493
Metropolis Music Limited	-	697
SJM Limited	3,665	732,432
Parklife Manchester Ltd	-	410,585
	<b>1,275,189</b>	<b>8,791,516</b>
<b>Purchases/Management Charges</b>		
C I (Events) Ltd	(1,413)	-
Live Nation (Music) UK Limited	50,000	116,068
Ticketmaster UK Limited	5,154	3,764
The Security Company Utrecht Holland Holding B.V.	48,552	48,691
The Academy Music Group Limited	-	1,103
	<b>102,293</b>	<b>169,626</b>
<b>Balances as at 31 December: included in debtors</b>		
Live Nation (Music) UK Limited	24,695	125,099
The Academy Music Group Limited	-	601,145
DF Concerts Limited	-	10,787
Ticketmaster UK Limited	-	65
Cuffe & Taylor	-	37,280
	<b>24,695</b>	<b>774,376</b>
<b>Balances as at 31 December: included in creditors</b>		
Ticketmaster UK Limited	5,155	30
Live Nation (Music) UK Limited	50,000	65,332
C.I. (Events) Ltd	-	1,413
The Security Company Utrecht Holland Holding B.V.	42,308	-
	<b>97,463</b>	<b>66,775</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**24. Controlling party**

The company's immediate parent undertaking is The Security Company Utrecht Holland Holding BV. The company's shares are owned as follows: The Security Company UHH BV (94%), Mark Harding (2%), Mark Logan (2%), Simon Battersby (2%).

In the directors' opinion, the company's ultimate parent undertaking and controlling party is Live Nation Entertainment, Inc., which is incorporated in the United States of America. Copies of the consolidated financial statements for Live Nation Entertainment, Inc. are available from 9348 Civic Center Drive, Beverly Hills, California, 90210, United States of America.