

Company Registration No. 02718762 (England and Wales)

**CHRISTIE'S IMAGES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**



# CHRISTIE'S IMAGES LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	A C Falconer P N Mulder	(Appointed 2 May 2018)
<b>Secretary</b>	A C Falconer	
<b>Company number</b>	02718762	
<b>Registered office</b>	8 King Street St James's London SW1Y 6QT	
<b>Auditor</b>	KPMG LLP 15 Canada Square London E14 5GL	

---

# **CHRISTIE'S IMAGES LIMITED**

## **CONTENTS**

---

	<b>Page</b>
Directors' report	<b>1</b>
Directors' responsibilities statement	<b>2</b>
Independent auditor's report to the members of Christie's Images Limited	<b>3 - 4</b>
Statement of comprehensive income	<b>5</b>
Balance sheet	<b>6</b>
Statement of changes in equity	<b>7</b>
Notes to the financial statements	<b>8 - 13</b>

---

# CHRISTIE'S IMAGES LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2018**

---

The Directors present their annual report and financial statements for the year ended 31 December 2018.

### Principal activities

The principal activity of the Company is to licence the use of photographic images.

### Business Review

During the year the Company made a profit before tax of £254k (2017: £313k) and the profit after tax for the year was £206k (2017: £253k) as detailed on page 5.

The Directors are satisfied with the net asset position of £1,940k (2017: £1,734k).

### Dividends

The Directors do not recommend the payment of a dividend (2017: £nil).

### Directors

The Directors who held office during the year and up to the date of signature of the financial statements were as follows:

A C Falconer

A J Ward

P N Mulder

(Resigned 9 May 2018)

(Appointed 2 May 2018)

### Strategic report

The Company is defined as small as per the requirements of the Companies Act 2006 and therefore has applied the exemption to prepare a Strategic Report.

### Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

### Statement of disclosure to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

On behalf of the board



ADELE FALCONER  
COMPANY SECRETARY

Date: 2 July 2019

# **CHRISTIE'S IMAGES LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 DECEMBER 2018***

---

The directors are responsible for preparing 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), 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 of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or to have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

# CHRISTIE'S IMAGES LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF CHRISTIE'S IMAGES LIMITED

---

#### Opinion

We have audited the financial statements of Christie's Images Limited ("the company") for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, Balance sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

#### Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

#### Strategic report and Directors' report

The directors are responsible for the Strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

# CHRISTIE'S IMAGES LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF CHRISTIE'S IMAGES LIMITED

---

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

Under the Companies Act 2006 we are required 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

#### Directors' responsibilities

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities

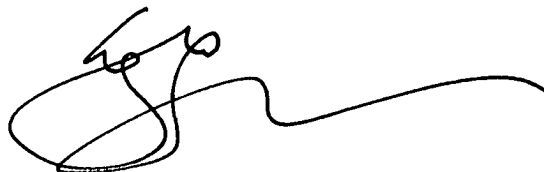
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

#### The purpose of our audit work and to whom we owe our responsibilities

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 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.

Hugh Green (Senior Statutory Auditor)  
for and on behalf of KPMG LLP



Chartered Accountants  
Statutory Auditor

4 July 2019

15 Canada Square  
London  
E14 5GL

# CHRISTIE'S IMAGES LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

**FOR THE YEAR ENDED 31 DECEMBER 2018**

---

	Notes	2018 £'000	2017 £'000
Turnover	3	299	369
Administrative expenses		(45)	(56)
		<hr/>	<hr/>
Profit before taxation	4	254	313
Taxation	6	(48)	(60)
		<hr/>	<hr/>
Profit for the financial year		206	253
		<hr/>	<hr/>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes to the accounts on pages 8 to 13 form part of these financial statements.



# CHRISTIE'S IMAGES LIMITED

## BALANCE SHEET

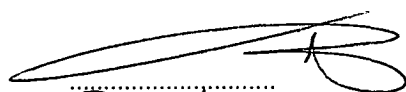
AS AT 31 DECEMBER 2018

		2018		2017	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	7		6		21
<b>Current assets</b>					
Debtors	8	75		65	
Cash at bank and in hand		2,007		1,748	
		<u>2,082</u>		<u>1,813</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(148)</u>		<u>(100)</u>	
<b>Net current assets</b>			1,934		1,713
<b>Total assets less current liabilities</b>			<u>1,940</u>		<u>1,734</u>
<b>Capital and reserves</b>					
Profit and loss reserves			1,940		1,734
<b>Total equity</b>			<u>1,940</u>		<u>1,734</u>

The notes to the accounts on pages 8 to 13 form part of these financial statements.

The financial statements were approved by the Board of Directors on  
signed on its behalf by:

1 July 2019 and were

  
J. Mulder  
Director

Company Registration No. 02718762

# CHRISTIE'S IMAGES LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Share capital (£2) £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 January 2017	-	1,481	1,481
Year ended 31 December 2017:			
Profit and total comprehensive income for the year	-	253	253
Balance at 31 December 2017	-	1,734	1,734
Year ended 31 December 2018:			
Profit and total comprehensive income for the year	-	206	206
Balance at 31 December 2018	-	1,940	1,940

The notes to the accounts on pages 8 to 13 form part of these financial statements.

# CHRISTIE'S IMAGES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2018**

---

### **1 Accounting policies**

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

#### **Company information**

Christie's Images Limited is a private company limited by shares incorporated in England and Wales. The registered office is 8 King Street, St James's, London, SW1Y 6QT.

#### **1.1 Accounting Convention**

These financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The Company's ultimate parent undertaking, Financière Pinault SCA includes the Company in its consolidated financial statements. The consolidated financial statements of Financière Pinault SCA are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from the Tribunal de Commerce de Paris, 1, Quai de Corse, 75004 Paris. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

The Company participates in the Group's centralised treasury arrangements and so shares banking arrangements with its subsidiaries. These arrangements ensure adequate management of cash flows around the group.

The Group has considerable financial resources and as a consequence, the Directors believe that the Group is well placed to manage its business risks. The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

On this basis, and on their assessment of the Company's financial position, the Company's directors have a reasonable expectation that the company will be able to continue in existence for the foreseeable future. The Directors therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### **1.3 Tangible fixed assets**

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses.

The Company assesses at each reporting date whether tangible assets are impaired.

# CHRISTIE'S IMAGES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 1 Accounting policies

(Continued)

#### Depreciation and residual values

Depreciation is calculated, using the straight-line method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

Fixtures and fittings	10%
Computers	25%

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

### 1.4 Taxation

Tax on the profit and loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

#### Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

#### Deferred tax

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For non-depreciable assets that are measured using the revaluation model, or investment property that is measured at fair value, deferred tax is provided at the rates and allowances applicable to the sale of the asset/property. Deferred tax balances are not discounted.

Unrealised tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

### 1.5 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

# CHRISTIE'S IMAGES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 1 Accounting policies

(Continued)

#### 1.6 Basic financial instruments

##### Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Turnover

All turnover relates to United Kingdom activities. Turnover is recognised on delivery of services, (net of any sales tax) and represents the amounts receivable in respect of income for the use of photographic images.

### 4 Operating profit

	2018	2017
	£'000	£'000
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the Company's auditor for the audit of the Company's financial statements	4	3
Depreciation and other amounts written off tangible assets	15	33
	<u>19</u>	<u>36</u>

### 5 Directors' remuneration

The Directors did not receive any emoluments in their capacity as Directors during the year (2017: £nil).

# CHRISTIE'S IMAGES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 6 Taxation

	2018 £'000	2017 £'000
<b>Current tax</b>		
UK corporation tax on profits for the current period	47	61
	<u>47</u>	<u>61</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	1	(1)
	<u>1</u>	<u>(1)</u>
<b>Total tax charge</b>	<u>48</u>	<u>60</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2018 £'000	2017 £'000
Profit before taxation	254	313
	<u>254</u>	<u>313</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	48	60
	<u>48</u>	<u>60</u>
Taxation for the year	<u>48</u>	<u>60</u>

#### Analysis of charge in period

A reduction in UK corporation tax main rate to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This means that for Christie's UK companies, the deferred tax rate applied as at 31 December 2018 was 17%.

# CHRISTIE'S IMAGES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 7 Tangible fixed assets

	Fixtures and fittings £'000	Computers £'000	Total £'000
<b>Cost</b>			
At 1 January 2018 and 31 December 2018	39	292	331
<b>Depreciation and impairment</b>			
At 1 January 2018	30	280	310
Depreciation charged in the year	4	11	15
At 31 December 2018	34	291	325
<b>Carrying amount</b>			
At 31 December 2018	5	1	6
At 31 December 2017	9	12	21

### 8 Debtors

	2018 £'000	2017 £'000
<b>Amounts falling due within one year:</b>		
Trade debtors	60	49
Deferred tax	15	16
	75	65

The deferred tax asset is in respect of timing differences between accumulated depreciation and capital allowances.

### 9 Creditors: amounts falling due within one year

	2018 £'000	2017 £'000
Amounts due to group undertakings	84	27
Corporation tax	47	61
Other creditors	10	7
Accruals and deferred income	7	5
	148	100

### 10 Share capital

	2018 £'000	2017 £'000
<b>Allotted, called up and fully paid</b>		
2 Ordinary shares of £1 each	2	2

# CHRISTIE'S IMAGES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2018**

---

### **11 Related parties disclosure**

It is Company policy that Directors are not permitted to trade in categories of items which are sold at auctions held by their own departments. They may, however, purchase or sell items at auctions organised by other departments, or by subsidiaries which act as principals. All such transactions are carried out on an arm's length basis. Members of Directors' close families also enter into transactions with group companies. All transactions in the course of the year were neither material to the Company nor to any of the Directors concerned.

### **12 Contingent liability**

The Company participates in an omnibus letter of set-off arrangement in respect of the overdraft of certain fellow United Kingdom group companies.

### **13 Immediate and ultimate parent undertaking**

The smallest and largest group in which the results of Christie's Images Limited are included is Financière Pinault SCA, a company incorporated in France and also the immediate and ultimate parent company of Christie's Images Limited. The immediate and ultimate parent undertaking is Christie's International plc which is incorporated in England & Wales at 8 King Street, St James's, London, SW1Y 6QT.

The consolidated accounts of Financière Pinault SCA will be filed with the Tribunal de Commerce de Paris, 1, Quai de Corse, 75004 Paris.