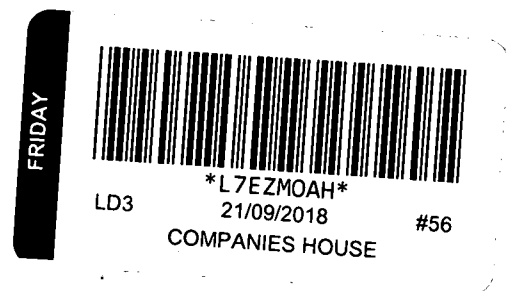


Company Registration No. 02718762 (England and Wales)

CHRISTIE'S IMAGES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017



CHRISTIE'S IMAGES LIMITED

COMPANY INFORMATION

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

CHRISTIE'S IMAGES LIMITED

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CHRISTIE'S IMAGES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The Directors present their annual report and financial statements for the year ended 31 December 2017.

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 £313,000 (2016: £237,000) and the profit after tax for the year was £253,000 (2016: £189,000) as detailed on page [5].

The Directors are satisfied with the net asset position of £1,734,000 (2016: £1,481,000).

Dividends

The Directors do not recommend the payment of a dividend (2016: £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	
L Bowden	(Appointed 30 March 2017 and resigned 14 June 2017)
A J Ward	(Appointed 14 June 2017 and resigned 9 May 2018)
I R Collins	(Resigned 30 March 2017)
P N Mulder	(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

Director

Date: 10 SEPTEMBER 2018

CHRISTIE'S IMAGES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2017

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 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 2017 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 2017 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

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 twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

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

Our responsibility is to read 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 directors' report;
- in our opinion the information given in that report 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.

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.

CHRISTIE'S IMAGES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHRISTIE'S IMAGES LIMITED

Responsibilities of directors

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.

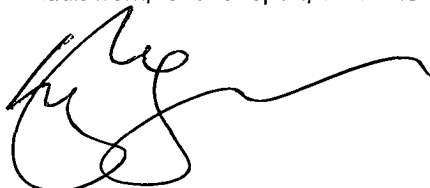
Auditor's responsibilities for the audit of the financial statements

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 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.

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 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.



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

17 September 2018

Chartered Accountants
Statutory Auditor

15 Canada Square
London
E14 5GL

CHRISTIE'S IMAGES LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £'000	2016 £'000
Turnover	3	369	340
Administrative expenses		(56)	(103)
		<hr/>	<hr/>
Profit before taxation	4	313	237
Taxation	6	(60)	(48)
		<hr/>	<hr/>
Profit for the financial year	11	253	189
		<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

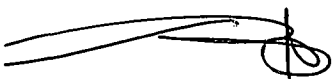
BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £'000	2016 £'000
Fixed assets			
Tangible assets	7	21	54
Current assets			
Debtors	8	65	29
Cash at bank and in hand		1,748	1,487
		<u>1,813</u>	<u>1,516</u>
Creditors: amounts falling due within one year	9	<u>(100)</u>	<u>(89)</u>
Net current assets		1,713	1,427
Total assets less current liabilities		<u>1,734</u>	<u>1,481</u>
Capital and reserves			
Called up share capital (£2)	10	-	-
Profit and loss reserves	12	<u>1,734</u>	<u>1,481</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 ~~10 SEPTEMBER~~ 2018 and were signed on its behalf by:



.....
PATRICIA MULDER
Director

Company Registration No. 02718762

CHRISTIE'S IMAGES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Share capital (£2) £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 January 2016		-	1,292	1,292
Year ended 31 December 2016:				
Profit and total comprehensive income for the year		-	189	189
		<hr/>	<hr/>	<hr/>
Balance at 31 December 2016		-	1,481	1,481
Year ended 31 December 2017:				
Profit and total comprehensive income for the year		-	253	253
		<hr/>	<hr/>	<hr/>
Balance at 31 December 2017		-	1,734	1,734
		<hr/>	<hr/>	<hr/>

CHRISTIE'S IMAGES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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 Basis of preparation

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 2017

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 probably 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 2017

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

	2017	2016
	£'000	£'000
Operating profit for the year is stated after charging/(crediting):		
Depreciation and other amounts written off tangible assets	33	50
Fees paid to the Company's auditor for the audit of the Company's annual accounts	3	6
	<u> </u>	<u> </u>

5 Directors' remuneration

The Directors did not receive any emoluments in respect of their services for this company during the year (2016: nil).

CHRISTIE'S IMAGES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

6 Taxation

	2017 £'000	2016 £'000
Current tax		
UK corporation tax on profits for the current period	61	51
Foreign current tax on profits for the current period	-	(1)
	<u>61</u>	<u>50</u>
Deferred tax		
Origination and reversal of timing differences	(1)	(3)
Adjustment in respect of prior periods	-	1
	<u>(1)</u>	<u>(2)</u>
Total tax charge	<u>60</u>	<u>48</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:

	2017 £'000	2016 £'000
Profit before taxation	<u>313</u>	<u>237</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%)	60	47
Effect of change in corporation tax rate	-	1
	<u>60</u>	<u>48</u>
Taxation for the year	<u>60</u>	<u>48</u>

Analysis of charge in period

A reduction in UK corporation tax to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015. A further reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This means that for Christie's Images Limited, the weighted average UK corporation tax main rate for the accounting period ended 31 December 2017 was 19.25% and the deferred tax rate as at 31 December 2017 was 17%.

CHRISTIE'S IMAGES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

7 Tangible fixed assets

	Fixtures and fittings £'000	Computers £'000	Total £'000
Cost			
At 1 January 2017 and 31 December 2017	39	292	331
Depreciation and impairment			
At 1 January 2017	26	251	277
Depreciation charged in the year	4	29	33
At 31 December 2017	30	280	310
Carrying amount			
At 31 December 2017	9	12	21
At 31 December 2016	13	41	54

8 Debtors

	2017 £'000	2016 £'000
Amounts falling due within one year:		
Trade debtors	49	15
Deferred tax	16	14
	65	29

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

9 Creditors: amounts falling due within one year

	2017 £'000	2016 £'000
Amounts due to group undertakings	27	10
Corporation tax	61	50
Other creditors	7	12
Accruals and deferred income	5	17
	100	89

10 Share capital

	2017 £'000	2016 £'000
Allotted, called up and fully paid		
2 ordinary shares of £1 each	2	2

CHRISTIE'S IMAGES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

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 Profit and loss reserves 2017 £'000

At the beginning of the year	1,481
Profit for the year	253
	<hr/>
At the end of the year	1,734
	<hr/>

13 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.

14 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.

15 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 ultimate parent company of Christie's Images Limited. The immediate 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.