

SENSIBLE EVENTS LIMITED

Report and financial statements

31 December 2009

Registered No 3191938

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Sensible Events Limited

COMPANY INFORMATION

DIRECTORS

S Douglas
P Latham
A Ridgeway
A Zweck

SECRETARY

S Emeny

AUDITORS

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

BANKERS

HSBC Bank plc
City Corporate Banking Centre
First Floor
60 Queen Victoria Street
London
EC4N 4TR

REGISTERED OFFICE

2nd Floor, Regent Arcade House
19 - 25 Argyll Street, London
W1F 7TS

Sensible Events Limited

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2009

PRINCIPAL ACTIVITY

The principal activity of the company during the year was the provision of music promotion agency services and consultancy

FUTURE DEVELOPMENTS

Notwithstanding the risk and uncertainties outlined below, the directors do not anticipate any significant change in the activities and results of the company in the foreseeable future

RESULTS AND DIVIDENDS

The profit before tax for the year ended 31 December 2009 was £293,940 (2008 £490,522) A dividend of £200,000 (2008 £420,000) was paid during the year

As shown in the company's profit and loss account on page 5, the company's turnover has increased by 25% to £955,567 and the operating profit has reduced by 33% to £265,765

The balance sheet on page 6 of the financial statements shows the company's financial position at the year end Net assets have increased by 41% to £1,960,240

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

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties of the company and the systems and procedures in place to identify, assess and mitigate them are integrated into those of the group These are detailed in the financial statements of Live Nation (Music) UK Limited

DIRECTORS AND THEIR INTEREST

The directors who served during the year ended 31 December 2009, and changes since, were as follows

S Douglas
P Latham
A Ridgeway
A Zweck

No director had any interest in the share capital of the company at any time during the year or at 31 December 2009

DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

In accordance with section 485 of the Companies Act 2006, an ordinary resolution is to be proposed for reappointment of Ernst & Young LLP as auditors of the company

On behalf of the Board



S Douglas
Director

Date 15/07/10

Sensible Events Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for the period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records 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.

Sensible Events Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SENSIBLE EVENTS LIMITED

We have audited the company's financial statements for the year ended 31 December 2009 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

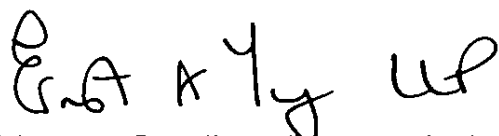
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Philippa Jane Green (Senior Statutory Auditor)
for and on behalf of Ernst and Young LLP, Statutory Auditor

London

Date 20 / 7 / 10

Sensible Events Limited

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £	2008 £
TURNOVER	2	955,567	763,174
Cost of sales		(22,441)	(15,001)
GROSS PROFIT		933,126	748,173
Administrative costs		(667,361)	(351,162)
OPERATING PROFIT	3	265,765	397,011
Interest receivable	4	28,175	93,511
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		293,940	490,522
Tax on profit on ordinary activities	6	472,915	-
PROFIT FOR THE FINANCIAL YEAR	11	766,855	490,522

All the company's operations are continuing

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2009

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

Sensible Events Limited

BALANCE SHEET AS AT 31 DECEMBER 2009

	Notes	2009 £	2008 £
CURRENT ASSETS			
Debtors	7	1,651,455	1,587,204
Cash in hand		656,639	1,062,163
		<u>2,308,094</u>	<u>2,649,367</u>
CREDITORS: amounts falling due within one year	8	(347,854)	(1,255,982)
NET CURRENT ASSETS		<u>1,960,240</u>	<u>1,393,385</u>
NET ASSETS		<u>1,960,240</u>	<u>1,393,385</u>
CAPITAL AND RESERVES			
Called up share capital	10,11	3	3
Profit and loss account	11	1,960,237	1,393,382
EQUITY SHAREHOLDERS' FUNDS	11	<u>1,960,240</u>	<u>1,393,385</u>

On behalf of the Board



S Douglas
Director

Date 15/07/10

Registered No 3191938

Sensible Events Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2009

1 ACCOUNTING POLICIES

Basis of preparation

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

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on page 2.

The company has net assets, is profit making and has a considerable cash balance. The company's forecasts project that it will continue to trade profitably and be in a strong liquidity position.

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

Statement of cash flows

In accordance with FRS 1 (revised) the company has not prepared a statement of cash flows as its ultimate parent undertaking, Live Nation Inc, produces publicly available consolidated financial statements.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account.

Revenue recognition

Turnover

Turnover, which is stated net of value added tax, represents amounts receivable for goods and services. Turnover is attributable to the company's principal activity, and is all generated in the UK.

Deferred taxation

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

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

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

2 TURNOVER

Turnover, which is stated net of value added tax, represents amounts receivable for goods and services. Turnover is attributable to the company's principal activity, and is all generated in the UK.

Sensible Events Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2009

3 OPERATING PROFIT

Operating profit is stated after charging	2009	2008
	£	£
Auditors' remuneration	10,920	8,500
Currency exchange loss / (gain)	29,841	(70,609)

4 INTEREST RECEIVABLE

	2009	2008
	£	£
Interest receivable on group undertaking loans	28,175	93,511

5 DIRECTORS AND EMPLOYEES

The average number of persons employed by the company during the year was 3 (2008 - 3)

Staff costs were

	2009	2008
	£	£
Wages and salaries	409,335	258,162
Social security costs	32,066	30,109
Pension	1,196	1,075
	442,597	289,346

Directors' emoluments included in the staff costs above were

	2009	2008
	£	£
Emoluments, including benefits in kind	303,467	181,393
Social security costs	37,588	21,543
	341,054	202,935

One director received remuneration from the company during the year ended 31 December 2009 (2008 - one director). Details of the remuneration are disclosed above. The other director's emoluments in the years ended 2009 and 2008 have been borne by another company within the group. The other directors' services to the company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the company for the year ended 31 December 2009. All directors are also directors or officers of a number of companies within the Live Nation Inc group.

Sensible Events Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2009

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

a) Analysis of the current tax (credit) / charge in the year

	2009	2008
	£	£
Current Tax		
UK Corporation Tax on profits for the year	-	-
Adjustments in respect of previous years	(472,915)	-
Total current tax	(472,915)	-

b) Factors affecting the current tax (credit) / charge for the year

The difference between the total current tax charge shown above and the amount calculated by applying the standard rate of UK Corporation tax of 28% (2008 - 28.5%) to the profit before tax is as follows

	2009	2008
	£	£
Profit on ordinary activities before taxation	293,940	490,522
Profit on ordinary activities multiplied by the standard rate of Corporation Tax in the UK of 28% (2008 - 28.5%)	82,303	139,799
Effects of		
Expenses not deductible for tax purposes and imputed income	326	582
(Capital allowances in excess of depreciation)	(141)	(39)
Group relief (utilised)	(82,488)	(140,342)
Adjustments to tax charge in respect of previous periods	(472,915)	-
Current Tax (credit) / charge for the year (note 6(a))	(472,915)	-

The adjustment in respect of previous years principally relates to the availability of group relief

Sensible Events Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2009

7 DEBTORS

	2009	2008
	£	£
Trade debtors	97,915	10,000
Amounts owed by group undertakings	1,539,529	1,576,638
Other debtors	567	566
Prepayments and accrued income	13,444	-
	<u>1,651,455</u>	<u>1,587,204</u>

8 CREDITORS. amounts falling due within one year

	2009	2008
	£	£
Trade creditors	(92)	633,678
Amounts owed to group undertakings	169,890	129,635
Corporation tax	-	472,915
Other taxation and social security	32,185	10,384
Accruals and deferred income	145,871	9,370
	<u>347,854</u>	<u>1,255,982</u>

9 DEFERRED TAX

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

	2009	2008
	£	£
(Deferred) capital allowances		(141)
Deferred tax (asset) not provided at 28%	-	(141)

10 SHARE CAPITAL

	2009 Number	2008 Number	2009 £	2008 £
<i>Authorised</i>				
Equity ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up and fully paid</i>				
Equity ordinary shares of £1 each	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>

Sensible Events Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2009

11 RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS

	Share Capital	Profit and loss account	Total
	£	£	£
At 1 January 2009	3	1,393,382	1,393,385
Profit for the year	-	766,855	766,855
Dividend paid	-	(200,000)	(200,000)
At 31 December 2009	3	1,960,237	1,960,240

12 RELATED PARTY TRANSACTIONS

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

13 IMMEDIATE AND ULTIMATE PARENT UNDERTAKINGS

The company's immediate parent undertaking is Live Nation (Music) UK Limited, a company incorporated in the United Kingdom

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

14 POST BALANCE SHEET EVENTS

On 25 January 2010, the ultimate parent company Live Nation, Inc completed its merger with Ticketmaster and changed its name to Live Nation Entertainment, Inc