

Photolibary Group Limited

Report and Unaudited Financial Statements

Year Ended

31 December 2012

Company Number 04371008

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Photolibrary Group Limited

Report and financial statements for the year ended 31 December 2012

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Directors

J A Colligan
J S Lockwood
J J Lapham

Secretary and registered office

C Chapman, 101 Bayham St, London NW1 0AG

Company number

04371008

Photolibary Group Limited

Report of the directors for the year ended 31 December 2012

The directors present their report together with the unaudited financial statements for the year ended 31 December 2012.

Results, dividends and principal activities

The profit for the year, after taxation, amounted to £149,978 (2011 - loss of £1,300,666). The directors have not recommended a dividend (2011 - £Nil).

In the prior year, the Company's trade and assets were hived to a fellow Group company and Management's intention is to liquidate Photolibary Group Limited. As the directors intend to liquidate the company they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 1.

Directors

The directors who served the company during the year were as follows:

J A Colligan
J S Lockwood
J J Lapham

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 that year.

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;
- As explained in note 1 to the financial statements, the directors do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis;
- applicable UK accounting standards have been followed.

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.

In preparing the directors report, advantage has been taken of the small companies' regime.

By order of the Board


J.J. Lapham
Director

Date 16 Jun 2014

PhotolibRARY Group Limited

Profit and loss account for the year ended 31 December 2012

	Note	Year ended 31 December 2012 £	Period ended 31 December 2011 £
Turnover	2	300,484	1,411,067
Cost of sales		(49,854)	655,774
Gross profit		350,338	755,293
Administrative expenses		55,474	1,462,416
Operating profit/(loss)	3	294,864	(707,123)
Interest receivable and similar income		89,611	15,010
Interest payable and similar charges	4	(195,709)	(37,507)
Profit/(Loss) on ordinary activities before taxation		188,766	(729,620)
Taxation on profit / loss from ordinary activities		38,788	571,046
Profit/(Loss) for the financial year		149,978	(1,300,666)

All amounts relate to discontinued activities due to the hive of the company's trade and assets to a fellow group company on 18 October 2011.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 4 to 9 form part of these financial statements.

Photolibrary Group Limited
Balance sheet at 31 December 2012

Company number 04371008		2012	2012	2011	2011
		£	£	£	£
Fixed assets					
Tangible assets	7				24,238
Current assets					
Debtors	8	2,623,010		5,043,040	
Cash at bank and in hand		56,402		134,983	
		<u>2,679,412</u>		<u>5,178,023</u>	
Creditors: amounts falling due within one year	9	873,136		3,539,903	
		<u></u>		<u></u>	
Net current liabilities			1,806,276		1,638,120
Total assets less current liabilities			<u>1,806,276</u>		<u>1,662,358</u>
Creditors: amounts falling due after more than one year	10				6,060
			<u></u>		<u></u>
Net assets			<u>1,806,276</u>		<u>1,656,298</u>
Capital and reserves					
Called up share capital	12		3,797,616		3,797,616
Profit and loss account	13		(1,991,340)		(2,141,318)
			<u></u>		<u></u>
Shareholders' funds	14		<u>1,806,276</u>		<u>1,656,298</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

For the year ended 31 December 2012 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on


J J Lapham
Director

16 Jun 2014

The notes on pages 4 to 9 form part of these financial statements.

Photolibary Group Limited

Notes forming part of the financial statements for the year ended 31 December 2012

1 Accounting policies

The financial statements have been prepared under the historical cost convention. The following principal accounting policies have been applied:

Basis of preparation

Following the acquisition of the Company by the Getty Images Inc. group, in line with standard Getty Images Inc. group policy, during the prior year, the Company's trade and assets were hived to a fellow Group company and Management's intention is to liquidate Photolibary Group Limited within 12 months from the date that these financial statements were approved for issue. As a result of this and as required by FRS 18.21 and as permitted by SI 2008/420 Schedule 1(10) (2), the Directors have not prepared the financial statements on a going concern basis. In the view of the directors, no further adjustments are required due to this basis of preparation, as the value of assets and liabilities was realised at the time of the trade and assets being hived.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents amount invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office equipment	=	25% to 50% on cost
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Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Pension costs

The company does not run its own pension scheme but makes contributions to certain employees' personal plans as part of the remuneration package. Contributions are charged to the profit and loss account when paid.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating profit.

Photolibrary Group Limited

Notes forming part of the financial statements for the year ended 31 December 2012 (continued)

2 Turnover

Turnover is wholly attributable to the principle activity of the company and arises solely within the United Kingdom.

3 Operating profit/(loss)

	Year ended 31 December 2012 £	Period ended 31 December 2011 £
This has been arrived at after charging/(crediting):		
Amortisation of intangible assets		2,307
Impairment of intangible assets		2,706,467
Impairment of investments		903
Depreciation of owned fixed assets		48,756
Depreciation of assets held under finance lease agreements		9,090
Loss on disposal of fixed assets	24,238	287,316
Loss on disposal of goodwill and investments		153,008
Auditors remuneration:		
- as auditors		8,755
- for other services		2,630
Net (profit)/loss on foreign currency translation	(84,485)	(3,556)

4 Interest payable and similar charges

	Year ended 31 December 2012 £	Period ended 31 December 2011 £
Finance charges	195,709	37,507

5 Employees

	Year ended 31 December 2012 £	Period ended 31 December 2011 £
Wages and salaries	34,392	608,350
Social security costs	385	47,908
Pension contributions		2,112
	34,777	658,370

No director was remunerated during the year from the company.

Photolibary Group Limited

Notes forming part of the financial statements
for the year ended 31 December 2012 (continued)

6 Taxation on profit from ordinary activities

	Year ended 31 December 2012 £	Period ended 31 December 2011 £
<i>Current tax</i>		
UK corporation tax on results of the year	34,366	571,132
<i>Foreign withholding tax</i>		
Current tax on income for the year	4,422	1,846
Total current tax	38,788	572,978
<i>Deferred tax</i>		
Origination and reversal of timing differences		(1,932)
Taxation on loss on ordinary activities	38,788	571,046

The directors of the company have reviewed the Company's tax losses at the year end and do not believe there will be sufficient trade to cover the losses.

The tax assessed for the year differs from the standard rate of corporation tax in the UK. The differences are explained below:

	Year ended 31 December 2012 £	Period ended 31 December 2011 £
Profit/(loss) on ordinary activities before tax	188,766	(729,620)
Loss on ordinary activities at the standard rate of corporation tax in the UK of 24.5% (2012 – 26%)	46,248	(189,701)
Effects of:		
Expenses not deductible for tax purposes	(4)	681,359
Capital allowances for year in excess of depreciation	(7,456)	79,474
Utilisation of tax losses		(249,781)
Elimination of losses brought forward		249,781
Items to increase tax liability		1,846
Current tax charge for year	38,788	572,978

Photolibrary Group Limited

Notes forming part of the financial statements
for the year ended 31 December 2012 (*continued*)

7 Tangible fixed assets

	Office equipment £
<i>Cost</i>	
At 1 January 2012	386,853
Disposals	(386,853)
At 31 December 2012	
<i>Depreciation</i>	
At 1 January 2012	362,615
Disposals	(362,615)
At 31 December 2012	
<i>Net book value</i>	
At 31 December 2012	
At 31 December 2011	24,238

Finance lease agreements

The net book value of finance lease agreements is £Nil (2011 - £24,238). The depreciation charged to the financial statements in the year in respect of such assets amounts to £Nil (2011 - £9,090).

8 Debtors

	2012 £	2011 £
Trade debtors		306,419
Amounts owed by group undertakings	2,621,210	4,678,221
Prepayments and accrued income		58,400
Other debtors	1,800	-
	2,623,010	5,043,040

Photolibary Group Limited

Notes forming part of the financial statements
for the year ended 31 December 2012 (*continued*)

9 Creditors: amounts falling due within one year

	2012 £	2011 £
Trade creditors	-	661,733
Amounts owed to group undertakings	267,638	2,046,018
Other taxation and social security	-	38,468
Finance lease agreements	-	14,324
Other creditors	-	189,441
Corporation tax	605,498	571,132
Accruals and deferred income	-	18,787
	<u>873,136</u>	<u>3,539,903</u>

10 Creditors: amounts falling due after more than one year

	2012 £	2011 £
Amounts due in more than one year but not more than two years:		
Finance lease agreements	-	6,060
	<u>-</u>	<u>6,060</u>

11 Related party transactions

The company has taken advantage of the exemption allowed by FRS 8 paragraph 3(c) and has not therefore made any disclosure of transactions with wholly owned fellow group companies.

12 Share capital

	2012 £	2011 £
<i>Allotted, called up and full paid</i>		
3,797,616 Ordinary shares of £1 each	3,797,616	3,797,616
	<u>3,797,616</u>	<u>3,797,616</u>

13 Reserves

	Profit and loss account £
At 1 January 2012	(2,141,318)
Profit for the year	149,978
	<u>149,978</u>
At 31 December 2012	<u>(1,991,340)</u>

Photolibrary Group Limited

Notes forming part of the financial statements
for the year ended 31 December 2012 (continued)

14 Reconciliation of movements in shareholder's funds

	Year ended 31 December 2012 £	Period ended 31 December 2011 £
Profit/(Loss) for the financial year	149,978	(1,300,666)
Opening shareholder's funds	1,656,298	2,956,964
Closing shareholder's funds	1,806,276	1,656,298

15 Ultimate parent company

Photolibrary Group Limited is a private limited company incorporated in England and Wales.

The Company's immediate holding company is Photolibrary Pty Ltd, incorporated in Australia, and the penultimate holding company is Getty Images Inc., incorporated in Delaware, United States of America.

During the financial year, Management of Getty Images, Inc. along with The Carlyle Group, an asset management firm, announced the formation of a partnership to acquire Getty Images, Inc. On 18 October 2012, Getty Images, Inc. announced the completion of the transaction and as a result, the Company's immediate holding company is Getty Images, Inc. and the ultimate holding company is Griffey Investors, L.P., a partnership formed in Delaware, the United States of America.