

# IMG Artists (UK) Limited

Financial Statements

For the year ended 31 December 2021

For Filing with Registrar

Company Registration No. 04851157 (England and Wales)

# IMG Artists (UK) Limited

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# IMG Artists (UK) Limited

## Balance Sheet

As at 31 December 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Intangible assets	5	-	-	-	-
Tangible assets	6	13,504	14,278		
Investments	7	151,630	87,790		
		165,134	102,068		
<b>Current assets</b>					
Debtors	9	690,716	452,500		
Cash at bank and in hand		2,136,588	1,354,063		
		2,827,304	1,806,563		
<b>Creditors: amounts falling due within one year</b>	10	(3,038,148)	(1,684,245)		
<b>Net current (liabilities)/assets</b>		(210,844)	122,318		
<b>Total assets less current liabilities</b>		(45,710)	224,386		
<b>Creditors: amounts falling due after more than one year</b>	11	(354,248)	(445,742)		
<b>Net liabilities</b>		(399,958)	(221,356)		
<b>Capital and reserves</b>					
Called up share capital	12	1	1		
Profit and loss reserves		(399,959)	(221,357)		
<b>Total equity</b>		(399,958)	(221,356)		

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 19 December 2022 and are signed on its behalf by:

John Evans  
Director

Company Registration No. 04851157

# IMG Artists (UK) Limited

## Notes to the Financial Statements

For the year ended 31 December 2021

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### 1 Accounting policies

#### Company information

IMG Artists (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Mercury House, 109-117 Waterloo Road, London, UK, SE1 8UL.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with Section 1a of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

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 £.

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

#### 1.2 Exemptions for qualifying entities under FRS 102

The company has taken advantage of the following exemptions under the provisions of FRS 102:

- i. The requirement of Section 33 Related Party Disclosures paragraph 33.1A from disclosing transactions with other members of a wholly owned group.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

IMG Artists (UK) Limited is a wholly owned subsidiary of IMG Artists LLC and the results of IMG Artists (UK) Limited are included in the consolidated financial statements of IMG Artists LLC which are available from IMG Artists LLC at Pleiades House, 7W 54th Street, New York, New York, 10019.

#### 1.3 Going concern

At 31 December 2021 the company had net current liabilities of £210,844 which includes amounts due to group companies of £577,614. The directors have prepared results and projections for a period of 12 months from the date of approval of these financial statements, which indicate that the company will continue to trade profitably and generate cash.

The directors have received sufficient confirmation and assurances that the group companies will not demand repayment of the intercompany loan balances for a period of at least 12 months from the date of signing of these accounts and that IMG Artists LLC will provide any financial support required to the company in order to enable it to continue to trade and to meet its liabilities as they fall due, for a period of at least one year from the date of signature of these financial statements. Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

# IMG Artists (UK) Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

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### 1 Accounting policies

(Continued)

#### 1.4 Turnover

Turnover represents events and client commission revenue earned excluding Value Added Tax. Event revenue is primarily comprised of sponsorship income, ticket sales income and hospitality services. Client revenue consists of commission earned from appearance fees. Revenue is recognised once the performance/event to which it relates has taken place.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Leasehold	over the term of the lease
Computer equipment	25% per annum

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# IMG Artists (UK) Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# IMG Artists (UK) Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **1.10 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### **1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.12 Retirement benefits**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable. Difference between contributions payable and contributions actually paid in the period are shown as either accruals or prepayments at the period end.

#### **1.13 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

# IMG Artists (UK) Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 1 Accounting policies

(Continued)

#### 1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 1.15 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.

#### 1.16 Client monies

Monies are held on behalf of clients in separately designated company bank accounts and are included as current assets with corresponding obligations being included in current liabilities.

### 2 Exceptional item

	2021 £	2020 £
<b>Expenditure</b>		
Intercompany write-back	-	(79,695)
	<u>          </u>	<u>          </u>

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	23	31
	<u>          </u>	<u>          </u>

### 4 Directors' remuneration

	2021 £	2020 £
Remuneration paid to directors	173,935	99,489
	<u>          </u>	<u>          </u>



# IMG Artists (UK) Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 5 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 January 2021 and 31 December 2021	927,721
<b>Amortisation and impairment</b>	
At 1 January 2021 and 31 December 2021	927,721
<b>Carrying amount</b>	
At 31 December 2021	-
At 31 December 2020	-

### 6 Tangible fixed assets

	Land and buildings £	Computer equipment £	Total £
<b>Cost</b>			
At 1 January 2021	12,952	153,441	166,393
Additions	-	8,605	8,605
Disposals	(10,000)	(119,736)	(129,736)
At 31 December 2021	2,952	42,310	45,262
<b>Depreciation and impairment</b>			
At 1 January 2021	10,165	141,950	152,115
Depreciation charged in the year	2,787	6,592	9,379
Eliminated in respect of disposals	(10,000)	(119,736)	(129,736)
At 31 December 2021	2,952	28,806	31,758
<b>Carrying amount</b>			
At 31 December 2021	-	13,504	13,504
At 31 December 2020	2,787	11,491	14,278

### 7 Fixed asset investments

	2021 £	2020 £
Shares in group undertakings and participating interests	151,630	87,790

# IMG Artists (UK) Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 7 Fixed asset investments (Continued)

#### Movements in fixed asset investments

	Shares in subsidiaries £
<b>Cost or valuation</b>	
At 1 January 2021	87,790
Additions	63,840
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At 31 December 2021	151,630
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<b>Carrying amount</b>	
At 31 December 2021	151,630
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At 31 December 2020	87,790
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### 8 Subsidiaries

These financial statements are separate company financial statements for IMG Artists (UK) Limited.

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
IMG Artists GmbH	Germany	Orchestral Touring and Artist Management	Ordinary	100.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves	Profit/(Loss)
	£	£
IMG Artists GmbH	(166,894)	(26,942)

### 9 Debtors

	2021	2020
Amounts falling due within one year:	£	£
Trade debtors	522,592	322,101
Amounts owed by group undertakings	60,180	31,647
Other debtors	107,944	98,752
	<hr/>	<hr/>
	690,716	452,500
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# IMG Artists (UK) Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 9 Debtors (Continued)

Trade debtors disclosed above are measured at amortised cost.

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

	2021 £	2020 £
Bank loans	95,254	54,258
Trade creditors	4,627	110,803
Amounts owed to group undertakings	577,614	258,975
Taxation and social security	256,911	186,734
Other creditors	2,103,742	1,073,475
	<u>3,038,148</u>	<u>1,684,245</u>

A debenture is secured by way of fixed and floating charges over all assets and undertakings of the entity.

### 11 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Other creditors	<u>354,248</u>	<u>445,742</u>

### 12 Called up share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and fully paid				
Ordinary share of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

### 13 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Francesca Robe.

The auditor was Moore Kingston Smith LLP.

# IMG Artists (UK) Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 14 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2021 £	2020 £
Within one year	210,786	187,347
Between two and five years	57,210	237,439
	<u>267,996</u>	<u>424,786</u>

### 15 Related party transactions

The company has taken the exemption under Section 33 Related Party Disclosures paragraph 33.1A from disclosing transactions with other members of a wholly owned group.

### 16 Controlling Party

The ultimate parent company that produces consolidated financial statements, IMG Artists LLC, is owned by PPI Talent LLC (a company incorporated in the United States of America and controlled by A.Shustorovich).

Consolidated financial statements can be obtained from IMG Artists LLC at Pleiades House, 7W 54th Street, New York, New York, 10019.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.