

Company Registration No. 05801088 (England and Wales)

Creative Artists Agency UK Limited
Annual report and financial statements
For the year ended 30 September 2016



CREATIVE ARTISTS AGENCY UK LIMITED

COMPANY INFORMATION

Directors	R Light M Rubel J Freedman
Secretary	M Rubel
Company number	05801088
Registered office	5th Floor, 3 Shortlands Hammersmith London United Kingdom W6 8DA
Auditor	Ernst & Young LLP 1 More London Place London SE1 2AF
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP

CREATIVE ARTISTS AGENCY UK LIMITED

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CREATIVE ARTISTS AGENCY UK LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2016

The directors present the strategic report for the year ended 30 September 2016.

Fair review of the business

The company incurred a pre-tax loss of £714,516 (2015: profit of £1,839,260 (as restated)) for the year. The principal activity of the company continues to be that of booking agents for artists within the entertainment industry.

Principal risks and uncertainties

The principal risks and uncertainties facing the company are primarily those inherent in the entertainment and media sector. As well as underlying economic factors, its income is dependent on the continued popularity of the live music scene. This is a well established market which continues to expand globally.

Position of the company at the year end

Despite the trading loss for the year, the Directors are confident about the future prospects for the company. The company continues to grow its client base and looks forward to a return to profitability in the near future.

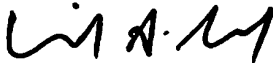
Key performance indicators

The directors monitor the performance of the business using various Key Performance Indicators ("KPIs"). The main KPIs were:

- Turnover decreased by 19% (2015: increased by 18%) compared to the previous year.
- This led to the company moving into a loss situation for the year adversely affecting the other key performance indicators of gross profit and profit before tax compared to turnover.

Turnover in any year is susceptible to the activities of its clients, and there will be occasions where this can lead to significant fluctuations over the company's accounting years. The underlying client base is increasing and the company is able to withstand these movements.

By order of the board



M Rubel
Secretary
1 August 2017

CREATIVE ARTISTS AGENCY UK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2016

The directors present their annual report and financial statements for the year ended 30 September 2016.

Directors

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

R Light
M Rubel
J Freedman

Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Financial instruments

The company has a normal level of exposure to price, credit and cash flow risk arising from trading activities which are conducted in Sterling. The company does not enter into any lending transactions.

Liquidity risk

The directors monitor the monetary requirements of the company to ensure that sufficient funds are available to enable the company to meet its obligations as they fall due.

Future developments

The directors are continually exploring ways of exploiting the trends within the industry for the benefit of the company including increasing its portfolio of artists within the entertainment industry.

Auditor

The auditor, Ernst & Young LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 period. 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;
- 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 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.

CREATIVE ARTISTS AGENCY UK LIMITED

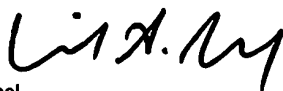
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

By order of the board



M Rubel

Secretary

1 August 2017

CREATIVE ARTISTS AGENCY UK LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CREATIVE ARTISTS AGENCY UK LIMITED

We have audited the financial statements of Creative Artists Agency UK Limited for the year ended 30 September 2016 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 20. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 auditor

As explained more fully in the Directors' Responsibilities 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. Our responsibility is to audit and express an opinion on 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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 30 September 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, 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.

Opinion on other matter prescribed by the Companies Act 2006

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

CREATIVE ARTISTS AGENCY UK LIMITED

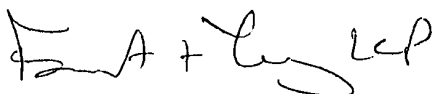
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CREATIVE ARTISTS AGENCY UK LIMITED

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.



Paul Gordon (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP
Statutory Auditor
London

2 August 2017

CREATIVE ARTISTS AGENCY UK LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2016

		2016	2015
	Notes	£	as restated £
Turnover	3	12,018,610	14,862,192
Cost of sales		(391,204)	(470,064)
Gross profit		11,627,406	14,392,128
Administrative expenses		(12,394,037)	(12,618,216)
Operating (loss)/profit	4	(766,631)	1,773,912
Interest receivable and similar income	6	56,840	73,439
Interest payable and similar charges	7	(4,725)	(8,091)
(Loss)/profit before taxation		(714,516)	1,839,260
Taxation	8	116,568	14,551
(Loss)/profit for the financial year		(597,948)	1,853,811
Other comprehensive income		-	-
Total comprehensive (loss)/income for the year		(597,948)	1,853,811

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the statement of comprehensive income.

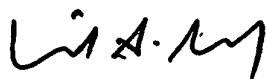
CREATIVE ARTISTS AGENCY UK LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2016

		2016		2015 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	10		947,450		1,171,045
Current assets					
Debtors	11	752,539		780,728	
Cash at bank and in hand		12,145,907		22,789,582	
		12,898,446		23,570,310	
Creditors: amounts falling due within one year	12	(13,363,769)		(23,661,280)	
Net current liabilities			(465,323)		(90,970)
Total assets less current liabilities			482,127		1,080,075
Capital and reserves					
Called up share capital	15		1		1
Retained earnings			482,126		1,080,074
Total equity			482,127		1,080,075

The financial statements were approved by the board of directors and authorised for issue on 1 August 2017 and are signed on its behalf by:



M Rubel
Director

Company Registration No. 05801088

CREATIVE ARTISTS AGENCY UK LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Notes	Share capital £	Retained earnings £	Total £
Balance at 1 October 2014		1	1,801,666	1,801,667
Effect of transition to FRS 102		-	(75,403)	(75,403)
As restated		1	1,726,263	1,726,264
Year ended 30 September 2015:				
Profit and total comprehensive income for the year		-	1,853,811	1,853,811
Dividends	9	-	(2,500,000)	(2,500,000)
Balance at 30 September 2015		1	1,080,074	1,080,075
Year ended 30 September 2016:				
Loss and total comprehensive loss for the year		-	(597,948)	(597,948)
Balance at 30 September 2016		1	482,126	482,127

CREATIVE ARTISTS AGENCY UK LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	19	(10,375,543)		8,471,794	
Interest paid		(4,725)		(8,091)	
Income taxes paid		(253,311)		(172,756)	
Net cash (outflow)/inflow from operating activities		(10,633,579)		8,290,947	
Investing activities					
Purchase of tangible fixed assets		(66,936)		(56,476)	
Interest received		56,840		73,439	
Net cash (used in)/generated from investing activities		(10,096)		16,963	
Financing activities					
Dividends paid		-		(2,500,000)	
Net cash used in financing activities		-		(2,500,000)	
Net (decrease)/increase in cash and cash equivalents		(10,643,675)		5,807,910	
Cash and cash equivalents at beginning of year		22,789,582		16,981,672	
Cash and cash equivalents at end of year		12,145,907		22,789,582	

CREATIVE ARTISTS AGENCY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

Company information

Creative Artists Agency UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is 5th Floor, 3 Shortlands, Hammersmith, London, United Kingdom, W6 8DA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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.

These financial statements for the year ended 30 September 2016 are the first financial statements of Creative Artists Agency UK Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 October 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 20. The reported financial position and financial performance for the previous period (30 September 2015) were prepared in accordance with the previous financial reporting framework.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents amounts receivable for services net of Value Added Tax. Income is recognised based on the date a show is performed.

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 are recoverable.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, 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 life of the lease
Fixtures and fittings	20% straight line
Office equipment	25% straight line

CREATIVE ARTISTS AGENCY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

(Continued)

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.

1.5 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).

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.6 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.

1.7 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 are classified into specified categories. The classification depends on the nature and purpose of the financial asset and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss, which are measured at fair value.

Loans and receivables

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.

CREATIVE ARTISTS AGENCY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transactions costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

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

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

CREATIVE ARTISTS AGENCY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

(Continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

1.13 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.

CREATIVE ARTISTS AGENCY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

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

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

4 Operating (loss)/profit

	2016	2015
	£	£
Operating (loss)/profit for the year is stated after charging/(crediting):		
Exchange gains	(72,147)	(39,802)
Fees payable to the company's auditor for the audit of the company's financial statements	30,000	25,000
Depreciation of owned tangible fixed assets	290,531	299,593
Operating lease charges	582,064	582,064

5 Employees

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

	2016	2015
	Number	Number
Total staff	67	65

Their aggregate remuneration comprised:

	2016	2015
	£	£
Wages and salaries	8,902,178	8,937,496
Social security costs	1,240,073	1,313,173
Pension costs	46,435	33,082
	10,188,686	10,283,751

CREATIVE ARTISTS AGENCY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

6 Interest receivable and similar income

	2016	2015
	£	£
Interest income		
Interest on bank deposits	56,840	73,439

Total interest income for financial assets that are not held at fair value through profit or loss is £56,840 (2015: £73,439).

7 Interest payable and similar charges

	2016	2015
	£	£
Other finance costs:		
Interest on overdue taxation	4,725	8,091
	4,725	8,091

8 Taxation

	2016	2015
	£	£
Current tax		
UK corporation tax on profits for the current period	(101,185)	418,035
Adjustments in respect of prior periods	-	(276,474)
Total current tax	(101,185)	141,561
Deferred tax		
Origination and reversal of timing differences	(15,383)	(156,112)
Total tax credit	(116,568)	(14,551)

CREATIVE ARTISTS AGENCY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

8 Taxation

(Continued)

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

	2016 £	2015 £
(Loss)/profit before taxation	(714,516)	1,839,260
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.50%)	(142,903)	377,048
Tax effect of expenses that are not deductible in determining taxable profit	23,745	24,447
Tax effect of utilisation of tax losses not previously recognised	-	9,189
Impact of rate change	(797)	-
Other tax adjustments	3,387	-
Adjustment in respect of previous years and tax losses carried back	-	(425,235)
Taxation for the year	(116,568)	(14,551)

The Finance Act 2015 included legislation to reduce the main rate of corporation tax from 20% to 19% from 1 April 2017 and to 18% from 1 April 2020. These changes were substantively enacted on 26 October 2015. In its 2016 Budget announced on 16 March 2016, the UK Government announced its intention to further lower the main rate of corporation tax to 17% from 1 April 2020, which was substantively enacted on 15 September 2016. The company has recognised its deferred tax balances at the rates at which these are expected to be utilised.

9 Dividends

	2016 £	2015 £
Interim paid	-	2,500,000

CREATIVE ARTISTS AGENCY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

10 Tangible fixed assets

	Land and buildings leasehold	Fixtures and fittings	Office equipment	Total
	£	£	£	£
Cost				
At 1 October 2015	1,272,076	534,814	714,395	2,521,285
Additions	-	21,508	45,428	66,936
At 30 September 2016	1,272,076	556,322	759,823	2,588,221
Depreciation and impairment				
At 1 October 2015	371,022	433,899	545,319	1,350,240
Depreciation charged in the year	127,208	49,221	114,102	290,531
At 30 September 2016	498,230	483,120	659,421	1,640,771
Carrying amount				
At 30 September 2016	773,846	73,202	100,402	947,450
At 30 September 2015	901,054	100,915	169,076	1,171,045

11 Debtors

	2016	2015
	£	£
Amounts falling due within one year:		
Trade debtors	340,042	336,751
Corporation tax recoverable	125,453	27,816
Other debtors	15,193	10,721
Prepayments and accrued income	240,524	389,496
	721,212	764,784
Deferred tax asset (note 13)	31,327	15,944
	752,539	780,728

Trade debtors disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

CREATIVE ARTISTS AGENCY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

12 Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	234,620	278,254
Amounts due to group undertakings	392,066	818,148
Corporation tax	-	256,859
Other taxation and social security	1,085,241	1,149,498
Other creditors	9,212,016	16,984,231
Accruals and deferred income	2,439,826	4,174,290
	<u>13,363,769</u>	<u>23,661,280</u>

Included in bank balances are £12,020,981 (2015: £21,887,465) of funds held in client fund bank accounts. The balances which are included in creditors shown above in relation to the client funds are £9,195,233 (2015: £16,984,231).

13 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets 2016	Assets 2015
	£	£
Balances:		
Deferred tax asset	<u>31,327</u>	<u>15,944</u>

14 Retirement benefit schemes

	2016	2015
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>46,435</u>	<u>33,082</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

CREATIVE ARTISTS AGENCY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

15 Share capital

	2016	2015
	£	£
Ordinary share capital		
Issued and fully paid		
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>

16 Operating lease commitments

Lessee

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

	2016	2015
	£	£
Within one year	537,240	537,240
Between two and five years	2,148,960	2,148,960
In over five years	537,240	1,074,480
	<u>3,223,440</u>	<u>3,760,680</u>

CREATIVE ARTISTS AGENCY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

17 Related party transactions

During the year CAA Sports UK Limited, a company which is a related party due to common ownership, received services from Creative Artists Agency UK Limited worth £545,585 (2015: £255,091). At the year end, CAA Sports UK Limited owed Creative Artists Agency UK Limited £nil (2015: £nil).

The company has taken advantage of the exemption available in FRS 102 Section 33 'Related party disclosures' not to disclose transactions entered into between two or more members of a group where a subsidiary which is a party to the transaction is wholly owned by such a member.

18 Controlling party

The immediate parent undertaking is CAIC, LLC, a company based in the United States of America.

The ultimate parent company is TPG VI Constellation, L.P., a Delaware Limited Partnership (LP), based in the United States of America.

19 Cash generated from operations

	2016 £	2015 £
(Loss)/profit for the year after tax	(597,948)	1,853,811
Adjustments for:		
Taxation credited	(116,568)	(14,551)
Finance costs	4,725	8,091
Investment income	(56,840)	(73,439)
Depreciation and impairment of tangible fixed assets	290,531	299,593
Movements in working capital:		
Decrease/(increase) in debtors	141,209	(273,285)
(Decrease)/increase in creditors	(10,040,652)	6,671,574
Cash (absorbed by)/generated from operations	(10,375,543)	8,471,794

CREATIVE ARTISTS AGENCY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

20 Reconciliations on adoption of FRS 102

Reconciliation of equity

		At 1 October 2014			At 30 September 2015		
		Previous UK GAAP	Effect of transition	FRS 102	Previous UK GAAP	Effect of transition	FRS 102
	Notes	£	£	£	£	£	£
Fixed assets							
Tangible assets		1,414,164	-	1,414,164	1,171,045	-	1,171,045
Current assets							
Debtors	2	463,680	18,852	482,532	752,912	27,816	780,728
Bank and cash		16,981,672	-	16,981,672	22,789,582	-	22,789,582
		17,445,352	18,852	17,464,204	23,542,494	27,816	23,570,310
Creditors due within one year							
Taxation		(1,074,419)	-	(1,074,419)	(1,406,357)	-	(1,406,357)
Other creditors	1	(15,843,262)	(94,255)	(15,937,517)	(22,115,844)	(139,079)	(22,254,923)
		(16,917,681)	(94,255)	(17,011,936)	(23,522,201)	(139,079)	(23,661,280)
Net current assets/(liabilities)		527,671	(75,403)	452,268	20,293	(111,263)	(90,970)
Total assets less current liabilities		1,941,835	(75,403)	1,866,432	1,191,338	(111,263)	1,080,075
Provisions for liabilities							
Deferred tax		(140,168)	-	(140,168)	-	-	-
Net assets		1,801,667	(75,403)	1,726,264	1,191,338	(111,263)	1,080,075
Capital and reserves							
Share capital		1	-	1	1	-	1
Profit and loss	1, 2	1,801,666	(75,403)	1,726,263	1,191,337	(111,263)	1,080,074
Total equity		1,801,667	(75,403)	1,726,264	1,191,338	(111,263)	1,080,075

CREATIVE ARTISTS AGENCY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

20 Reconciliations on adoption of FRS 102

(Continued)

Reconciliation of profit for the financial period

	Notes	Year ended 30 September 2015		
		Previous UK GAAP £	Effect of transition £	FRS 102 £
Turnover		14,862,192	-	14,862,192
Cost of sales		(470,064)	-	(470,064)
Gross profit		14,392,128	-	14,392,128
Administrative expenses	1	(12,573,392)	(44,824)	(12,618,216)
Interest receivable and similar income		73,439	-	73,439
Interest payable and similar charges		(8,091)	-	(8,091)
Profit before taxation		1,884,084	(44,824)	1,839,260
Taxation	2	5,586	8,965	14,551
Profit for the financial period		1,889,670	(35,859)	1,853,811

Notes to reconciliations on adoption of FRS 102

1. Rent free period for operating leases

Under previous UK GAAP operating lease incentives, including rent free periods, were spread over the shorter of the lease period or the period to when the rental was set to a fair market rent. FRS 102 requires that such incentives to be spread over the lease period.

2. Taxation

The effect on taxation has been recognised following on from the the adjustment to the operating lease incentive.