

AEG Themestar (UK) Limited

**Directors' report and financial
statements**

Registered number 06604408

31 December 2010



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Directors' report

The directors present the Directors' report and the audited financial statements of AEG Themestar (UK) Limited (the Company') for the year ended 31 December 2010 and 7 month period ended 31 December 2009

Principal activities

The principal activity of the Company is the production of themed tours. Subsequent to the year end, the Directors resolved to dissolve the Company. Therefore these accounts have not been prepared on a going concern basis.

Results

The results for the period are set out on page 4 of the financial statements. The directors do not recommend the payment of a dividend.

The directors do not believe that it is appropriate to prepare the financial statements on a going concern basis due to the fact that the Company is being dissolved, as described in note 1 to the financial statements.

Directors

The following directors held office during the period and subsequently

T Leiweke
D Campbell (resigned 15 February 2011)
A Hill

Small companies provision

The directors' report has been prepared in accordance with the special provision of Part XV of the Companies Act 2006 relating to small companies.

Political and charitable contributions

The Company made no political or charitable donations or incurred any political expenditure during the year (*period ended 31 December 2009* £Nil).

Disclosure of information to auditors

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 auditors are unaware, and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the board



A Hill
Director

The Studio
The O₂
London, SE10 0DX

13 September 2011

Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements

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)

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 judgments 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. As explained in Note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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.

KPMG LLP

15 Canada Square
London
E14 5GL

Independent auditor's report to the members of AEG Themestar (UK) Limited

We have audited the financial statements of AEG Themestar (UK) Limited for the period ended 31 December 2010 set out on pages 4 to 9. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice). These financial statements have not been prepared on the going concern basis for the reasons set out in Note 1 to the financial statements.

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 auditors' 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 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 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

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 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with UK 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.



A Jalif (Senior Statutory Auditor)
for and on behalf of KPMG LLP,
Statutory Auditor

15 September 2011

Profit and loss account

for the year ended 31 December 2010

| | <i>Note</i> | 31 December 2010 £ | 7 month period ended 31 December 2009 £ |
|--|---------------|-----------------------|--|
| Turnover | <i>1</i> | 357,397 | 1 119 224 |
| Cost of Sales | | (188,840) | (1 430 114) |
| Gross profit/(loss) | | 168,557 | (310 890) |
| Administration expenses | | (244,086) | (63,346) |
| Operating loss | | (75,529) | (374 236) |
| Interest receivable and similar income | <i>5</i> | - | 85 |
| Loss on ordinary activities before taxation | | (75,529) | (374 151) |
| Taxation | <i>6</i> | - | - |
| Loss on ordinary activities after taxation | <i>2-6 10</i> | (75,529) | (374 151) |

The results for the year all derive from discontinuing operations. There were no other recognised gains or losses for the year other than the results as disclosed above.

The notes on pages 6 to 9 form part of these financial statements.

Balance sheet

at 31 December 2010

| | Note | 2010 £ | 2010 £ | 2009 £ | 2009 £ |
|--|------|----------------|--------------------|----------------|--------------------|
| Current assets | | | | | |
| Debtors | 7 | 130,440 | | 66,802 | |
| Cash at bank and in hand | | 29,185 | | 118,700 | |
| | | <u>159,625</u> | | <u>185,502</u> | |
| Creditors amounts falling due within one year | 8 | (1,400,659) | | (1,351,007) | |
| Net current liabilities | | | (1,241,034) | | (1,165,505) |
| Net liabilities | | | <u>(1,241,034)</u> | | <u>(1,165,505)</u> |
| Capital and reserves | | | | | |
| Called up share capital | 9 | | 1 | | 1 |
| Profit and loss account | | | (1,241,035) | | (1,165,506) |
| Shareholders' deficit | 10 | | <u>(1,241,034)</u> | | <u>(1,165,505)</u> |

The financial statements have been prepared in accordance with the special provisions of Part XV of the Companies Act 2006 relating to small companies

The financial statements were approved by the board of directors on 13 September 2011 and were signed on its behalf by



A Hill
Director

Registered number 06604408

The notes on pages 6 to 9 form part of these financial statements

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements, except as noted below

Basis of preparation

Subsequent to the year end, the Directors resolved to dissolve the Company. As a result these accounts have not been prepared on a going concern basis, and have been prepared on a break up basis. All assets have been stated at their estimated recoverable amounts, and full provision has been made for any obligations as at the balance sheet date. This has led to a write down of £180,936 in regard of amounts owed by other Themestar entities that are also being dissolved.

The financial statements have been prepared in accordance with applicable accounting standards.

The financial statements have been prepared in accordance with the Special Provisions of Part XV of the Companies Act 2006 relating to small companies.

Under Financial Reporting Standard 1, the Company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

Deferred taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19. A net deferred tax asset is only recognised to the extent that it is considered more likely than not to be recoverable against future taxable profits.

Turnover

Turnover excludes Value Added Tax and represents box office revenue received. Turnover is recognised upon the delivery of services. Turnover is derived in the United Kingdom.

2 Loss on ordinary activities before taxation

7 month period
ended
31 December 2010 31 December 2009

Loss on ordinary activities before taxation is stated after charging:

| | | |
|------------------------|--------|-------|
| Auditors' remuneration | 15,355 | 6,798 |
|------------------------|--------|-------|

Notes (continued)

3 Staff numbers and costs

The Company employed nil staff during the year (*period ended 31 December 2009 nil*)

4 Remuneration of directors

The Company did not pay any emoluments to the directors during the year (*period ended 31 December 2009 £nil*)

5 Interest receivable and similar income

| | 31 December 2010 | 7 month period ended 31 December 2009 |
|--------------------------|-------------------|--|
| | £ | £ |
| Bank interest receivable | - | 85 |
| | <u> </u> | <u> </u> |

6 Taxation

There is no charge to corporation tax

Factors affecting the tax charge for the current year

The current tax charge for the year is higher (*period ended 31 December 2009 higher*) than the standard rate of corporation tax in the UK of 28%. The differences are explained below

| | 31 December 2010 | 7 month period ended 31 December 2009 |
|--|-------------------|--|
| | £ | £ |
| <i>Current tax reconciliation</i> | | |
| Loss on ordinary activities before tax | (75,529) | (374,151) |
| | <u> </u> | <u> </u> |
| Current tax credit at 28 % (2009 28%) | (21,148) | (104,762) |
| <i>Effects of</i> | | |
| Tax losses not utilised | 21,148 | 104,762 |
| | <u> </u> | <u> </u> |
| Total current tax charge | - | - |
| | <u> </u> | <u> </u> |

A potential deferred tax asset at 31 December 2010 of £347,489 (*period ended 31 December 2009 £326,341*) was not recognised as the directors do not currently consider it more likely than not to be recovered against future taxable profits. Un-utilised tax losses at the balance sheet date amount to £1,241,035 (*period ended 31 December 2009 £1,165,506*)

Notes (continued)

7 Debtors

| | 2010 £ | 2009 £ |
|---|----------------|---------------|
| Trade debtors | 17,287 | - |
| Prepayments and accrued receivables | 108,062 | 40,843 |
| Amounts owed by related parties (note 11) | 5,091 | 25,959 |
| | <u>130,440</u> | <u>66,802</u> |

8 Creditors: amounts falling due within one year

| | 2010 £ | 2009 £ |
|---|------------------|------------------|
| Amounts owed to related parties (note 11) | 1,256,305 | 1 340 017 |
| Other creditors | 52,995 | - |
| Accruals and deferred income | 91,359 | 10 990 |
| | <u>1,400,659</u> | <u>1 351 007</u> |

9 Called up share capital

| | 2010 £ | 2009 £ |
|---|-----------|-----------|
| <i>Allotted, called up and fully paid</i> | | |
| 1 Ordinary share of £1 | <u>1</u> | <u>1</u> |

10 Reconciliation of movement in shareholders' funds

| | 2010 £ | 2009 £ |
|-------------------------------|--------------------|--------------------|
| Opening shareholders' deficit | (1,165,505) | (791 354) |
| Profit/(loss) for the period | (75,529) | (374 151) |
| Closing shareholders' deficit | <u>(1,241,034)</u> | <u>(1 165 505)</u> |

Notes (continued)

11 Related party disclosures

At the year end, the Company held the following balances with related parties

| | 2010 | 2009 |
|-------------------------------------|-----------|-----------|
| | £ | £ |
| Owed by related parties | | |
| AEG Themestar Australia Pty Limited | - | 25 959 |
| AEG Live UK Limited | 5,092 | - |
| Owed to related parties | | |
| Anschutz Entertainment Group Inc | 1,230,140 | 1 230,140 |
| Anschutz Sports Holdings Limited | 25,991 | 25 991 |

All of the above are wholly owned companies within the Anschutz Group

During the year the Company entered into the following transactions with the above related parties

the Company wrote off the balance owed by AEG Themestar Australia Pty Limited of £133 676 (2009 balance owed by £24,628),

the Company incurred expenses on behalf of AEG Themestar LLC of £nil (2009 £53 331)

the Company wrote off the balance owed by AEG Themestar LLC of £47 259 (2009 balance owed to £169 877),

12 Ultimate parent undertaking

The Company is a subsidiary of The Anschutz Company, incorporated in the United States of America. The smallest group in which it is consolidated is that headed by Anschutz Entertainment Group Inc, incorporated in the United States of America. The consolidated accounts of these groups are not available to the public.