

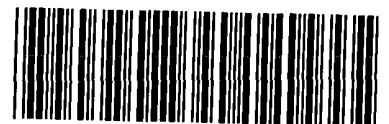
TECJET LIMITED

Report and Financial Statements

31 December 2017

Registered No. SC253459 (Scotland)

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COMPANIES HOUSE

Tecjet Limited

COMPANY INFORMATION

DIRECTORS

M J Mackie
S R Douglas
P R Latham
J M Hands

SECRETARY

S Emeny

AUDITOR

Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

BANKERS

HSBC Bank plc
Global Banking & Markets
8 Canada Square
London
E14 5HQ

REGISTERED OFFICE

Whitehall House
33 Yeaman Shore
Dundee
Scotland
DD1 4BJ

Tecjet Limited

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2017.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

PRINCIPAL ACTIVITY

The principal activity of the company continues to be that of a music venue operator.

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 for the financial year ended 31 December 2017 was £243,236 (2016 - profit of £396,364). A dividend of £350,000 was paid during the year (2016 - £500,000).

As shown in the company's income statement on page 6, the company's turnover has decreased by 6.3% over the prior year to £3,685,325 and the operating profit has decreased by 37.5% over the prior year to £304,068.

The statement of financial position on page 7 shows the company's financial position at the year end. Net assets have decreased by 6.7% to £1,475,830.

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

GOING CONCERN

The company has net assets of £1,475,830, is profit making and has a sufficient cash balance of £1,743,172. 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.

SUBSEQUENT EVENTS

In March 2018, the group underwent a refinancing of its bank loans. The old facility which was due to expire in November 2020 was replaced by a new 5 year £32,500,000 facility comprising of a £25,000,000 loan facility instrument repayable in quarterly instalments with a final £5,000,000 instalment in March 2023 and a £7,500,000 revolver credit facility. This entity is listed as a guarantor per the facilities agreement. The facilities are reflected in the financial statements of Electricland Limited and the consolidated financial statements of Academy Music Holdings Limited.

PRINCIPAL RISKS AND UNCERTAINTIES

Systems and procedures are in place to identify, assess and mitigate major business risks that could impact the company. Monitoring exposure to risk and uncertainty is an integral part of the company's structured management processes. The principal risks that the company faces are operational risk, competition, regulatory and legislative impacts, recruitment and retention of staff and maintenance of reputation.

Tecjet Limited

DIRECTORS' REPORT (CONTINUED) **DIRECTORS**

The directors who served during the year ended 31 December 2017 were as follows:

M J Mackie
S R Douglas
P R Latham
J M Hands

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF DISABLED PERSONS

The employees of the company are systematically provided with information on matters which concern them as employees. Employees or their representation are regularly consulted when decisions are taken which are likely to affect their interests. The directors continue to provide information to employees in order to achieve employee awareness of financial and economic factors affecting the company. The company maintains a policy of giving fair consideration to applications for employment made by disabled persons having regard to their particular aptitudes and abilities. In the event of an employee becoming disabled, the company uses its best endeavours to ensure continued employment.

AUDITOR

A resolution to re-appoint Grant Thornton UK LLP as the company's auditor will be proposed in accordance with section 485 of the Companies Act 2006.

By order of the Board



J M Hands
Director

Date 12 April 2018

Tecjet Limited

DIRECTORS' RESPONSIBILITIES STATEMENT

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 applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland' (FRS 102), and with the Companies Act 2006. 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 and 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;
- 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 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 so far as each of the directors is aware:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Tecjet Limited

Independent auditor's report to the members of Tecjet Limited

Opinion

We have audited the financial statements of Tecjet Limited (the 'company') for the year ended 31 December 2017 which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Tecjet Limited

Independent auditor's report to the members of Tecjet Limited continued

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors for the financial statements

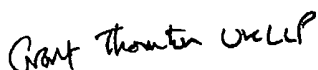
As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Steven Leith (Senior Statutory Auditor)

for and on behalf of Grant Thornton UK LLP, Statutory Auditor, Chartered Accountants
London

Date:

12 April 2018

Tecjet Limited

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
TURNOVER	4	3,685,325	3,934,793
Cost of sales		(761,981)	(867,333)
GROSS PROFIT		<u>2,923,344</u>	<u>3,067,460</u>
Administrative expense		(2,619,276)	(2,580,808)
OPERATING PROFIT	5	304,068	486,652
Interest receivable and similar income	7	1,303	11,253
Interest payable and similar charges	8	(5,098)	(5,284)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		<u>300,273</u>	<u>492,621</u>
Tax on profit on ordinary activities	9	(57,037)	(96,257)
PROFIT FOR THE FINANCIAL YEAR		<u>243,236</u>	<u>396,364</u>
Retained profits at 1 January		882,594	986,230
Dividends paid	10	(350,000)	(500,000)
RETAINED PROFIT AT 31 DECEMBER		<u><u>775,830</u></u>	<u><u>882,594</u></u>

All the company's operations are continuing.

There are no other items of comprehensive income other than as stated in the income statement.

The accompanying accounting policies and notes form part of the financial statements.

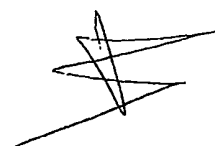
Tecjet Limited

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible fixed assets	11	1,178,922	1,186,834
CURRENT ASSETS			
Stocks	12	55,469	48,014
Debtors	13	111,668	403,930
Cash at bank and in hand		1,743,172	1,045,075
		<u>1,910,309</u>	<u>1,497,019</u>
CREDITORS: amounts falling due within one year	14	(1,576,996)	(1,062,191)
		<u>333,313</u>	<u>434,828</u>
NET CURRENT ASSETS			
		<u>1,512,235</u>	<u>1,621,662</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>1,512,235</u>	<u>1,621,662</u>
PROVISIONS FOR LIABILITIES	15	(36,405)	(39,068)
		<u>1,475,830</u>	<u>1,582,594</u>
NET ASSETS			
		<u>1,475,830</u>	<u>1,582,594</u>
CAPITAL AND RESERVES			
Called up share capital	16	70,000	70,000
Share premium account		630,000	630,000
Profit and loss account		775,830	882,594
		<u>1,475,830</u>	<u>1,582,594</u>
EQUITY SHAREHOLDER'S FUNDS			
		<u>1,475,830</u>	<u>1,582,594</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

Signed on behalf of the Board of Directors:



J M Hands
Director

Date 12 April 2018

Registered No. SC253459 (Scotland)

The accompanying accounting policies and notes form part of the financial statements.

Tecjet Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

1 COMPANY INFORMATION

Tecjet Limited is a private company limited by shares incorporated in Scotland. The registered office is Whitehall House, 33 Yeaman Shore, Dundee, Scotland, DD1 4BJ.

2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland' (FRS 102), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Sterling (£).

Disclosure exemptions within FRS 102:

The company has adopted the following disclosure exemptions within FRS 102:

The requirement to present a statement of cash flows and related notes; and

The requirement to disclose key management personnel compensation in total.

Accounting judgements

No judgments and estimates were made by management that will have a material impact on the financial statements.

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 Directors' Report on page 2.

The company has net assets, is profit making and has a sufficient 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.

3 PRINCIPAL ACCOUNTING POLICIES

Revenue recognition

Turnover

Turnover, which is stated net of value added tax, represents the fair value of amounts receivable for goods and services. Turnover is attributable to the company's principal activity and is predominantly generated in the UK. Turnover from the supply of services is recognised on delivery of those services. Where turnover represents the value of services provided under contracts it is phased equally over the duration of the contract at the value of the consideration due. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer.

Where a contract has only been partially completed at the statement of financial position date turnover represents the value of the service provided to date based on a proportion of the total contract value. Where payments are received from customers in advance of services provided, the amounts are recorded as Deferred Income and included as part of Creditors due within one year or after more than one year.

Interest income

Revenue is recognised as interest accrues using the interest rate determined by the loan agreement or the prevailing interest rate.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

3 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, over their expected useful lives, using the straight-line method. The rates applicable are:

Leasehold property and improvements	- over the term of the lease
Plant and machinery	- straight line over 7 years
Fixtures and fittings	- straight line over 7 years

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income statement.

Stocks

Stocks are stated at the lower of cost, using the first in first out method, and selling price less costs to complete and sell.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Operating leases

Rentals under operating lease are charged to the income statement on a straight line basis over the lease term.

Taxation

Taxation expense for the year comprises current and deferred tax recognised in the year. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred tax assets and liabilities are not discounted.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Tecjet Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

3 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Pensions

The company operates a defined contribution scheme where pension contributions are charged against profits in the accounting period in which they arise.

4 TURNOVER

Turnover, which excludes value added tax, represents amounts due from the company's principal business, that of management of concert venues. All turnover is derived in the United Kingdom.

5 OPERATING PROFIT

This is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets:		
owned by the company	90,974	77,871
Operating lease rentals - land and buildings	282,413	284,129
	<u>282,413</u>	<u>284,129</u>

The 2017 auditor's remuneration of £10,450 per annum (2016 - £10,450) is borne by Academy Music Group Limited, a fellow group company.

6 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	2017	2016
	£	£
Wages and salaries	756,010	813,243
Social security costs	42,209	42,171
Pension contributions under defined contribution schemes	6,562	7,557
	<u>804,781</u>	<u>862,971</u>

The company operates a stakeholder defined contribution pension scheme for the benefit of the employees and directors. The assets of the scheme are administered by an independent pension provider.

The average monthly number of employees, including the directors, during the year was as follows:

	2017	2016
	Number	Number
Operations staff	31	32
Administrative staff	14	13
	<u>45</u>	<u>45</u>

The 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 years ended 31 December 2017 and 31 December 2016.

Tecjet Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

7 INTEREST RECEIVABLE AND SIMILAR INCOME

	2017	2016
	£	£
Interest receivable on group undertaking loans	1,303	10,770
Other interest receivable	-	483
	<u>1,303</u>	<u>11,253</u>

8 INTEREST PAYABLE AND SIMILAR CHARGES

	2017	2016
	£	£
Interest payable on group undertaking loans	5,098	5,284
	<u>5,098</u>	<u>5,284</u>

9 TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of tax charge in the year

	2017	2016
	£	£
Current tax:		
UK Corporation Tax on profit for the year	59,700	95,077
Adjustments in respect of previous years	-	(9)
Total current tax	<u>59,700</u>	<u>95,068</u>
Deferred tax:		
Origination and reversal of timing differences	(2,663)	1,189
Total deferred tax	<u>(2,663)</u>	<u>1,189</u>
Total tax charge for the year (note 9 (b))	<u>57,037</u>	<u>96,257</u>

Tecjet Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

9 TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

(b) Factors affecting the total tax charge for the year

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK Corporation tax of 19.25% (2016 - 20%) to the profit before tax is as follows:

	2017 £	2016 £
Profit on ordinary activities before taxation	300,273	492,621
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	57,792	98,524
Effects of:		
Income not taxable and corresponding adjustments	(789)	(2,195)
Difference in tax rates	34	(63)
Adjustments to tax charge in respect of previous years	-	(9)
Total tax charge for the year (note 9 (a))	57,037	96,257

(c) Tax rate changes

The tax rate for the current year is lower than the prior year due to changes in the UK Corporation tax rate which decreased from 20% to 19% from 1 April 2017.

A further reduction to the UK Corporation tax rate was enacted as part of the Finance Act 2016. As such the main rate will fall from 19% to 17% from 1 April 2020.

10 DIVIDENDS

	2017 £	2016 £
Paid during the year	350,000	500,000

Dividends to the value of £709,677 were declared post year end (March 2018).

Tecjet Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

11 TANGIBLE FIXED ASSETS

Cost:	Leasehold property and improvements £	Plant and machinery £	Fixtures and fittings £	Total £
At 1 January 2017	1,486,711	541,841	355,396	2,383,948
Additions	20,144	19,541	43,377	83,062
At 31 December 2017	1,506,855	561,382	398,773	2,467,010
Depreciation:				
At 1 January 2017	479,159	501,854	216,101	1,197,114
Charge for year	46,604	15,645	28,725	90,974
At 31 December 2017	525,763	517,499	244,826	1,288,088
Net book value:				
At 31 December 2017	981,092	43,883	153,947	1,178,922
At 31 December 2016	1,007,552	39,987	139,295	1,186,834

The company's assets are held as security for the external banking facility of the Academy Music Holdings Limited which the company is a subsidiary of.

12 STOCKS

	2017 £	2016 £
Goods held for resale	55,469	48,014

Stock recognised in cost of sales during the year as an expense was £761,981 (2016 - £867,333).

13 DEBTORS

	2017 £	2016 £
Trade debtors	24,850	55,380
Amounts owed by group undertakings	33,143	278,928
Prepayments	53,675	69,622
	111,668	403,930

Included within amounts owed by group undertakings falling due within one year is £31,767 (2016 - £277,743) of interest bearing loans. Interest is charged at 3month GBP LIBOR plus 3%. The remaining amounts are non-interest bearing. All amounts owed to group undertakings are unsecured.

An impairment loss of £7,664 (2016 - £7,664) was recognised against trade debtors.

Tecjet Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

14 CREDITORS: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	180,558	179,017
Amounts due to group undertakings	520,882	269,536
Taxation and social security	124,250	138,546
Accruals and deferred income	244,961	219,079
Other creditors	499,645	214,945
Corporation tax payable	6,700	41,068
	<u>1,576,996</u>	<u>1,062,191</u>

Included within amounts owed to group undertakings falling due within one year is £431,712 (2016 - £158,724) of interest bearing loans. Interest is charged at 3month GBP LIBOR plus 3%. All amounts owed to group undertakings are unsecured and repayable on demand.

15 DEFERRED TAX

Deferred taxation provided at 19% (2016 - 19%) in the financial statements is set out below:

	2017	2016
	£	£
Deferred tax liability at 1 January	39,068	37,879
Income statement (credit) / charge	(2,663)	1,189
	<u>36,405</u>	<u>39,068</u>

Deferred tax liability at 31 December

Details of the provision for deferred taxation are given below:

	2017	2016
	£	£
Capital allowances in excess of depreciation	38,805	39,068
Pension costs	(2,400)	-
	<u>36,405</u>	<u>39,068</u>

The net decrease of deferred tax liability expected to occur in 2018 is £8,000, relating to existing timing differences on tangible fixed assets.

16 SHARE CAPITAL

	2017	2016	2017	2016
	Number	Number	£	£
<i>Allotted, called up and fully paid</i>				
Equity ordinary shares of £0.01 each	<u>7,000,000</u>	<u>7,000,000</u>	<u>70,000</u>	<u>70,000</u>

Tecjet Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

17 RESERVES

Called up share capital - represents the nominal value of shares that have been issued.

Share premium account - includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account - includes all current and prior periods retained profits and losses.

18 RELATED PARTY TRANSACTIONS

Included within turnover are venue hire fees of £7,954 (2016 - £7,538) from Regular Limited, a company in which M Mackie holds 75% of the issued share capital. At the year end £66,355 (2016 - £20,089) was due to Regular Limited.

LN-Gaiety Holdings Limited controls 56% of the shares in the company's parent company, Academy Music Holdings Limited. LN-Gaiety Holdings Limited controls 78% of the shares in DF Concerts Limited. Included within turnover of Tecjet Limited are venue hire fees of £63,813 (2016 - £76,842) from DF Concerts Limited. At the year end Tecjet Limited owed DF Concerts Limited £47,840 (2016 - £4,707).

Live Nation Entertainment, Inc. group is the ultimate parent and controls 61.1% of the share capital of Showsec International Limited. Live Nation Entertainment, Inc. is the ultimate parent of LN-Gaiety Holdings Limited and controls 50.1% of the shares in LN-Gaiety Holdings Limited. LN-Gaiety Holdings Limited controls 56% of the shares in the company's parent company, Academy Music Holdings Limited. At the year end Tecjet Limited owed Showsec International Limited £36,438 (2016 - £104,143).

Live Nation (Music) UK Limited owns 75% of Metropolis Music Limited and 50.1% of LN-Gaiety Holdings Limited. LN-Gaiety Holdings Limited controls 56% of the shares in the company's parent company, Academy Music Holdings Limited. At the year end Tecjet Limited was owed £334 by Metropolis Music Limited.

There were no other related party transactions.

19 LEASE COMMITMENTS

The total of future aggregate amounts of minimum lease payments under non-cancellable operating leases are as follows:

	2017	2016
	Land and buildings	Land and buildings
	£	£
Operating lease which expires:		
Within one year	230,000	230,000
Between two and five years inclusive	920,000	920,000
After five years	3,833,333	4,063,333
	<u>4,983,333</u>	<u>5,213,333</u>

20 CONTINGENCIES AND CAPITAL COMMITMENTS

The company is included in a group VAT registration and is therefore jointly and severally liable for all the other group companies' unpaid debts in this connection.

The company had no capital commitments and contingent liabilities at 31 December 2017 and 31 December 2016.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

21 FINANCIAL RISK MANAGEMENT

The company has exposure to two main areas of risk - liquidity risk and customer credit exposure.

Liquidity risk

The objective of the company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The company expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations the company has credit facilities available from group companies.

Customer credit exposure

The majority of revenue is received in advance of services being delivered, however the company may offer credit terms to its customers which allow payment of the debt after delivery of the services. The company is at risk to the extent that a customer may not be able to pay the debt on the specified due date. This risk is mitigated by the strong on-going customer relationships.

22 ULTIMATE PARENT UNDERTAKING

The company's immediate parent company is ABC3 Limited, a company incorporated in Scotland.

The ultimate parent undertaking and ultimate controlling party of this company is Live Nation Entertainment Inc., incorporated in the state of Delaware, United States of America.

The largest group of undertakings for which group accounts have been drawn up is that headed by Live Nation Entertainment Inc. Copies of the consolidated financial statements for Live Nation Entertainment, Inc. are available from 9348 Civic Center Drive, Beverly Hills, California, 90210, United States of America.

The smallest group of undertakings for which group accounts have been drawn up is that headed by Academy Music Holdings Limited, incorporated in England and Wales. Copies of the consolidated financial statements for Academy Music Holdings Limited are available from 2nd Floor, Regent Arcade House, 19-25 Argyll Street, London, W1F 7TS.