

Registered number: SC253459

TECJET LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020



TECJET LIMITED

COMPANY INFORMATION

Directors	Stuart R Douglas Selina H Emeny James M Hands Mark J Mackie
Company secretary	Selina H Emeny
Registered number	SC253459
Registered office	Whitehall House 33 Yeaman Shore Dundee DD1 4BJ
Independent auditor	Ernst & Young LLP 1 More London Place London SE1 2AF

TECJET LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

The company has taken advantage of the exemption allowed under S414B of the Companies Act 2006 not to prepare a Strategic Report.

Principal activity

The company has not traded during the year.

Results and dividends

The profit for the year, after taxation, amounted to £12,098 (2019 - £1,681,638).

In June 2018, the trading venue out of which the company operates was severely damaged by a fire which started in the adjacent building. All of the company's assets were destroyed in the fire and the venue has been unable to operate since. In 2019, settlement was agreed with the company's insurers and so the insurance proceeds were recognised in the income statement.

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.

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

Directors

The directors who served during the year were:

Stuart R Douglas
Selina H Emeny
James M Hands
Mark J Mackie

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.

In 2021, the principal risk to the company will be the COVID-19 pandemic, which as at the date of this report is continuing to prevent the company from trading from its music venues. Further detail is provided below.

TECJET LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Going Concern

Following the fire in June 2018, the company remains unable to trade from the leasehold venue. The landlord is entitled to take a period of time to assess and confirm whether the venue will be re-instated, and so currently the directors are awaiting the outcome of that assessment.

The company has net assets of £2,484,503, and a cash balance of £3,019,542. The company's directors expect that a new venue will be developed and so the company will be able to continue trading as previous, or otherwise will assess options for future trading.

In addition, the company's ultimate shareholders have provided letters of support confirming that, if required, they will provide continuing financial support to enable the company to meet its obligations as and when they fall due for a period of at least twelve months from the date the directors approve the financial statements of the company.

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. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Engagement with employees

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.

Disabled employees

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.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

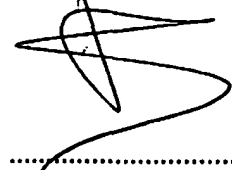
TECJET LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Auditor

Under section 487(2) of the Companies Act 2006, Ernst & Young LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.



.....
James M Hands
Director
Date: 12 May 2021

TECJET LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

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 law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements 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;

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 to 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.

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 2020, which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and the related notes, 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 2020 and of its profit 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.

Emphasis of matter

We draw attention to note 2.3 of the financial statements, which describe the financial and operational disruption the Company is facing as a result of COVID-19, which is impacting the Groups ability to hold live events across its portfolio of venues. Our opinion is not modified in respect of this matter.

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 United Kingdom, including the Financial Reporting Council'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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TECJET LIMITED (CONTINUED)

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.

Opinion 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.

Matters on which we are required to report by exception

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.

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

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TECJET LIMITED (CONTINUED)

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS 102 and the Companies Act 2006) and the relevant direct and indirect tax compliance regulation in the United Kingdom (Corporation Tax Act 2010). In addition, the Company has to comply with laws and regulations relating to its operations.
- We understood how the Company is complying with those frameworks by making enquiries of management, internal audit and those responsible for legal and compliance policies and procedures. We corroborated our enquiries through our review of board minutes, internal control testing and substantive testing. We also reviewed correspondence with relevant authorities.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override. We incorporated data analytics into our testing of manual journals, including segregation of duties. We tested specific transactions backing to source documentation or independent confirmation, ensuring appropriate authorisation of the transactions.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations identified above. Our procedures involved: enquiries of Group management and those charged with governance, legal counsel, tax management and internal audit; review of board minutes; specialised tax review; journal entry testing; and focused testing, including as referred to above.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TECJET LIMITED (CONTINUED)

Use of our report

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.

Ernst & Young LLP

Louise Pennell (Senior Statutory Auditor)
Ernst & Young LLP
1 More London Place
London
SE1 2AF

Date: 13/5/2021

TECJET LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Cost of sales		-	(216)
Gross profit/(loss)		-	(216)
Administrative expenses		(1,046)	83,569
Other operating income		-	2,071,299
Operating (loss)/profit		(1,046)	2,154,652
Interest receivable and similar income	6	1,817	1,265
Interest payable and expenses	7	(45)	(65,783)
Profit before tax		726	2,090,134
Tax on profit	8	11,372	(408,496)
Profit after tax		12,098	1,681,638
Retained earnings at the beginning of the year		1,784,503	102,865
		1,784,503	102,865
Profit for the year		12,098	1,681,638
Retained earnings at the end of the year		1,796,601	1,784,503

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of income and retained earnings.

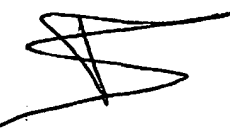
TECJET LIMITED
REGISTERED NUMBER: SC253459

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
Current assets			
Debtors: amounts falling due within one year	9	23,653	1,755,980
Cash at bank and in hand		2,562,559	3,019,542
		<u>2,586,212</u>	<u>4,775,522</u>
Creditors: amounts falling due within one year	10	(89,611)	(2,291,019)
Net current assets		<u>2,496,601</u>	<u>2,484,503</u>
Total assets less current liabilities		<u>2,496,601</u>	<u>2,484,503</u>
Net assets		<u>2,496,601</u>	<u>2,484,503</u>
Capital and reserves			
Called up share capital	12	70,000	70,000
Share premium account	13	630,000	630,000
Profit and loss account	13	1,796,601	1,784,503
		<u>2,496,601</u>	<u>2,484,503</u>

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



.....
James M Hands
Director
Date: 12 May 2021

The notes on pages 11 to 19 form part of these financial statements.

TECJET LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General 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. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in Sterling (£).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Academy Music Holdings Limited as at 31 December 2020 and these financial statements may be obtained from 211 Stockwell Road, London, SW9 9SL.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.3 Going concern

Following the fire in June 2018, the company remains unable to trade from the leasehold venue. The landlord is entitled to take a period of time to assess and confirm whether the venue will be re-instated, and so currently the directors are awaiting the outcome of that assessment.

The company has net assets of £2,484,503, and a cash balance of £3,019,542. The company's directors expect that a new venue will be developed and so the company will be able to continue trading as previous, or otherwise will assess options for future trading.

In addition, the company's ultimate shareholders have provided letters of support confirming that, if required, they will provide continuing financial support to enable the company to meet its obligations as and when they fall due for a period of at least twelve months from the date the directors approve the financial statements of the company.

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. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)**2.6 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.7 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.

2.8 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.

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a

TECJET LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)**2.9 Financial instruments (continued)**

director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

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

4. Operating Profit

This is stated after charging/(recognising):

	2019
	£
Insurance claim	(2,071,299)

The auditor's remuneration of £5,067 (2019 - £7,000) was borne by Academy Music Group Limited, a fellow group company.

TECJET LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2019 - £NIL).

Directors emoluments have been borne by Live Nation (Music) UK Limited, Academy Music Group Limited and other companies. The directors are also directors or officers of a number of companies within and outside of the Live Nation Entertainment Inc. Group. 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 group for the years ended 31 December 2020 and 31 December 2019.

6. Interest receivable

	2020 £	2019 £
Interest receivable on group undertaking loans	1,817	1,265
	<u>1,817</u>	<u>1,265</u>

7. Interest payable and similar expenses

	2020 £	2019 £
Interest payable on group undertaking loans	45	65,783
	<u>45</u>	<u>65,783</u>

TECJET LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	(11,401)	315,474
Adjustments in respect of previous periods	-	92,626
Total current tax	<u>(11,401)</u>	<u>408,100</u>
Deferred tax		
Origination and reversal of timing differences	32	5,925
Changes to tax rates and laws	(3)	-
Adjustments to the estimated recoverable amounts of deferred tax assets arising in previous years	-	(5,529)
Total deferred tax	<u>29</u>	<u>396</u>
Total tax (credit)/charge on ordinary activities	<u>(11,372)</u>	<u>408,496</u>

Factors affecting the total tax (credit)/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% (2019:19%) to the profit before tax is as follows:

	2020 £	2019 £
Profit on ordinary activities before tax	<u>726</u>	<u>2,090,134</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	138	397,125
Effects of:		
Expenses not deductible for tax purposes and imputed income	-	51,398
Transfer pricing adjustment	(11,539)	(5,834)
Adjustments to current tax charge in respect of prior periods	-	92,626
Adjustments to deferred tax charge in respect of prior periods	-	(5,529)
Change in unrecognised deferred tax assets	31	(107,899)
Difference in tax rates	(2)	(13,391)
Total tax charge for the year	<u>(11,372)</u>	<u>408,496</u>

Factors that may affect future tax charges

TECJET LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. Taxation (continued)

The corporation tax rate was due to reduce to 17% with effect from 1 April 2020, however, the Finance Act 2020 maintained the rate of corporation tax at 19%. As such, the deferred tax balances provided in these financial statements (if applicable) are at 19%.

The government announced in the 2021 Budget a proposal to increase the main rate of corporation tax to 25% from 1 April 2023. As this proposal has not been substantively enacted at the balance sheet date, this rate change is not reflected in these financial statements. The overall effect of this change is not material to these accounts.

9. Debtors

	2020 £	2019 £
Amounts owed by group undertakings	12,223	35,254
Other debtors	11,418	1,711,767
Prepayments and accrued income	-	8,664
Other taxation and social security	12	266
Deferred taxation	-	29
	<u>23,653</u>	<u>1,755,980</u>

Included within amounts owed by group undertakings falling due within one year is £12,223 (2019 - £35,254) 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.

10. Creditors: Amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	5,854	1,919,790
Corporation tax	-	287,463
Other creditors	-	11
Accruals and deferred income	83,757	83,755
	<u>89,611</u>	<u>2,291,019</u>

Included within amounts owed to group undertakings falling due within one year is £5,854 (2019 - £1,919,790) 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.

TECJET LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. Deferred taxation

Deferred taxation provided for at 19% (2019: 17%) in the financial statements is set out below:

	2020 £	2019 £
At beginning of year	29	425
Charged to profit or loss	(32)	(396)
Changes in tax rates and laws	3	-
At end of year	<u>-</u>	<u>29</u>

The deferred tax asset is made up as follows:

	2020 £	2019 £
Pension costs	-	29
	<u>-</u>	<u>29</u>

Details of the deferred tax asset not provided in the accounts are given below:

	2020 £	2019 £
Short term timing differences	32	-
Capital Losses	32,684	29,244
Deferred Tax not provided at 19% (2019: 17%)	<u>32,716</u>	<u>29,244</u>

The unrecognised asset relating to short term timing differences will be recoverable when the company incurs allowable expenditure against the provisions or releases them.

12. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
7,000,000 (2019 - 7,000,000) Equity ordinary shares of £0.01 each	<u>70,000</u>	<u>70,000</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. Reserves

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.

14. Contingent liabilities 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 is listed as a guarantor under the Electricland Limited bank loan facilities agreement as described in the Directors report.

The company had no other capital commitments and contingent liabilities at 31 December 2020 and 31 December 2019.

15. Related party transactions

The company has taken advantage of the exemption under FRS 102 Section 33 not to disclose transactions with group undertakings as a subsidiary which is 100% owned by its immediate parent undertaking.

16. Controlling party

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 211 Stockwell Road, London, SW9 9SL.