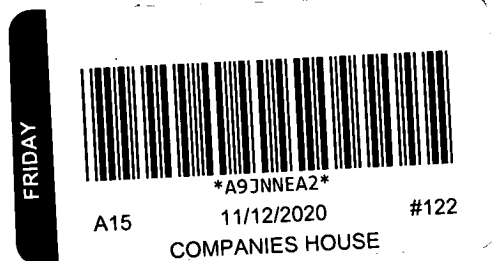


Registered No. 03554468

## **The Way Ahead Group Limited**

### **Report and Financial Statements**

31 December 2019



## Company information

### Directors

R I Wilmshurst  
S J Gillham

### Secretary

L Lipscombe

### Auditors

Ernst & Young LLP  
No 1 Colmore Square  
Birmingham  
B4 6HQ

### Bankers

Royal Bank of Scotland  
9<sup>th</sup> Floor  
280 Bishopsgate  
London  
EC2M 4RB

### Registered Office

Norfolk House  
47 Upper Parliament Street  
Nottingham  
NG1 2AB

## Strategic report

The Directors present their strategic report for the year ended 31 December 2019.

### Business review

The principal activity of the Company during the year continued to be that of ticket agent for the live entertainment industry.

The balance sheet on page 12 of the financial statements shows that the Company had net assets of £57.3 million (2018: £52.1 million). The movement in the year reflects the trading results.

### Key performance indicators

Management uses a range of key performance indicators to monitor and manage the business, the most relevant are set out below:

	2019 £m	2018 £m	Change %
Turnover	22.5	21.3	6%
Profit before tax	6.8	6.8	-

### Section 172 (1) Statement

The Directors have ensured their compliance with their duties under s. 172 (1) in relation to the business and the stakeholders of the business. The company's ultimate parent is Vivendi SA, a company with headquarters in Paris; and the immediate parent outside of the UK is Vivendi Village SA. The company is part of the See Tickets branded group with offices across Europe and in the USA. The directors of the business are engaged in the day to day management of the company along with the management team; and engage regularly with the management boards of Vivendi and Vivendi Village. By doing so the directors can ensure that key decisions are made that meet the requirements of the group stakeholders.

The main activity of the company is a ticket agent for live events across a broad spectrum from large scale music festivals, concerts and sporting events to exhibitions and smaller venues.

### Stakeholders

Our key stakeholders within the Group are Vivendi, Vivendi Village and See Tickets trading group. Other key stakeholders include our clients, customers and employees. We are focussed on delivering high levels of service to our clients, so that together we provide a first-class service to the customers. Our employees are central to the high standard of services that we offer.

## Strategic report (continued)

### Communication

We report each month and in detail our trading performance, non-financial data and strategies to the supervisory board of the shareholders. This allows clear communication to ensure our strategies and decisions continue to align with the shareholders' vision. The supervisory board has the opportunity each month to directly engage with the company's directors regarding performance and direction. We report regularly to and receive advice from Vivendi on non-financial matters including environmental and social responsibility factors.

We retain experienced people that keep good open communication with our clients to ensure client satisfaction, which assists in gaining new business through reputation. Clients of a certain size or complexity have dedicated support to manage the relationship. It is important that we remain agile to technical developments for clients and we have the depth and breadth of skills to do so.

We encourage feedback from the end customer so that we can constantly improve on our services. Onsite review tools and social media are two methods we use to engage with customers and receive feedback.

Our employees are the cornerstone of the business and their well-being is of utmost importance. The company has an 'open door' policy and encourages employees to communicate informally as well as formally through the policies in place to safeguard and protect the work force.

### Key decisions

Key decisions made by the board during the year are with reference to our stakeholders and the impact any decision will have on them. We strive for a balance between commercial sustainability and the satisfaction of our clients and customers and the welfare of our employees.

The strategic focus in 2019 was the growth of the See Tickets group and whether this should be organic, through acquisition or a combination of the two. Furthermore, there was a strategy to improve the strength of the See Tickets brand across the group. The strategies are presented to the shareholder supervisory board for approval and to ensure they fit with the overall strategies of Vivendi and Vivendi Village.

In 2019 See Tickets group focussed on organic growth with a view to acquisition if a suitable prospect with the right fit for the group was identified.

The directors involve the management team of the company in the strategic planning process to ensure engagement across the business. This highlights any potential impact on clients and employees, that as a result, can be considered and addressed as part of the planning stage. Any effect on key supplies is also reviewed at this stage. The directors maintain oversight of projects with regular reviews of the progress and any further considerations that arise.

### Principal risks and uncertainties

The Company faces competitive pressures from other ticketing agencies to attract and sell tickets for events. The Company manages this risk by providing quality services to clients and reacting quickly to existing and potential clients' needs and market developments.

The Company has business continuity plans in place that cover the IT infrastructure, so that very minimal disruption would be suffered if any part of the infrastructure fails. Business continuity plans cover the physical location of the offices, as well as all other areas of the operation.

The COVID-19 pandemic has had a material effect on the live entertainment industry. It is uncertain at this time when and in what capacity large scale events will be able to take place again. This has had a substantial impact on the market and the supply chain. A cost reduction plan will take place during this time and until

## Strategic report (continued)

the market improves, and government support will be accessed where it is available. The business has no need in the foreseeable future to access any third-party funding. The safety and well-being of our employees remains a priority.

The UK left the EU on 31 January 2020 and is in a transitional phase ending on 31 December 2020. The Company has assessed the likely impact and although there may be a further slow-down of the UK economy, fewer tourists and currency fluctuations, we do not believe there will be a material effect on the business. The live entertainment industry was growing in the UK before the COVID-19 pandemic and we expect it will continue to grow again in the future.

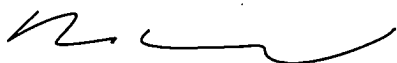
### Business Continuity

In response to COVID-19, the Company's primary focus is to continue delivery of the ticketing for events which the Company provides to its customers, whilst looking after the health and safety of the workforce and supporting its clients. As the Company predominantly sells tickets online and can deliver tickets electronically it has been able to continue its operation through the pandemic with minimal disruption.

The response has included considering the business impact from both an operational and financial perspective and monitoring the impact on the workforce. The Company has considered the employee resource needed to continue to deliver the ticketing services and it continues to have sufficient staffing levels available within the Company.

The Company group will continue to monitor the situation as it progresses to ensure a continued safe working environment, in conjunction with continued delivery of customers' requirements. The actions have included providing adequate distancing in the workplace and procuring additional sanitisation equipment. At this stage, the Company believes that it has access to supplies necessary to maintain its operations.

On behalf of the Board



R I Wilmshurst

Director

Date: 8 December 2020

## Directors' report

### Registered No. 03554468

The directors present their report and financial statements for the year ended 31 December 2019.

### Directors

The directors who served the Company during the year were as follows:

S J Gillham  
R I Wilmshurst

### Dividends

The directors do not recommend the payment of a dividend (2018: £nil).

### Presentation within the financial statements – Change in presentational format of the Income statement

The company has been reassessing its categorisation of costs given the nature of the service delivery and customer support has changed over time. As a result of this it is considered that presenting costs by category better explains the nature of the business and as a result the company has changed from presenting under format 1 to format 2.

### Going concern

The Company's Balance Sheet shows net assets of £57,309k (2018: £52,096k), and at year end reported net current assets of £34,415k (2018: £29,269k). The Company participates in the Vivendi Group centralised treasury arrangements and so shares banking and intercompany loan arrangements with the Group, Vivendi S.A., and other subsidiaries. The Company is managed as part of the UK Vivendi reporting group and budgets and forecasts are prepared at that level. The UK group's forecasts and budgets identify that the UK group is expected to meet its liabilities as they fall due for a period of at least 12 months from the date on which these financial statements are approved. A key assumption in the UK group's forecasts is the continuing availability of funds that are swept into the Group Treasury cash pooling arrangements and the intercompany loans provided by the Group to the Company. The Company has received a letter of financial support from the ultimate parent company, Vivendi S.A. which confirms that the Group, if required, will provide financial support to for the period of at least 12 months from the date of signing these financial statements.

The directors of the Company have considered information regarding the Group's ability to provide support to the Company. This information included the Group's Q2 2020 results released on 30 July 2020, which showed that the Group had total cash and cash equivalents of €2.4billion and undrawn facilities of €3.7billion as at 30 June 2020.

The directors of the Company have made enquiries of the directors of Vivendi S.A. to confirm that it has the ability to provide financial support, noting the financial position of the Company as described above.

Whilst there remains uncertainty regarding the impact of COVID-19, the directors of the Company have concluded that, if required, the Group will be able to provide financial support to the Company, for a period of at least 12 months from the date of approval of these financial statements. Accordingly, the Directors are satisfied that they have a reasonable basis upon which to conclude that the Company is able to meet its liabilities as they fall due in the foreseeable future and that it remains appropriate to prepare the financial statements on a going concern basis.

## Strategic report (continued)

### Future developments

The directors have considered the impact of the outbreak of COVID-19 and remain confident of the ability of the Company to continue to meet client and customer demands. Competition in this sector is expected to remain tough and cost controls are expected to continue into the future. The directors consider the Company, to be well placed in all aspects of the ticketing agent industry and it has proved to be an operationally and financially robust business during the COVID-19 situation.

### Post Balance Sheet events

As noted throughout the report and accounts, the outbreak of COVID-19 has had certain impacts on the Company. Further details are included in note 18. Given the unprecedented situation in the UK and Ireland, there remains significant uncertainty as to the length and extent of the impact on individuals, communities and the economy as whole. However, due to the nature of the company's contracts and based on the Company's current assessment of risks, no material impacts, or uncertainties have been identified which require adjustment in the financial statements.

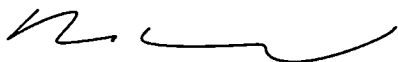
### Disclosure of information to the auditors

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 steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board



R I Wilmshurst

Director

Date: 8 December 2020

## Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, Directors' report and the financial statements in accordance with applicable UK 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 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 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

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.



# Independent auditor's report

to the members of The Way Ahead Group Limited

## Opinion

We have audited the financial statements of The Way Ahead Group Limited for the year ended 31 December 2019 which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, Statement of Changes in Equity and the related notes 1 to 19, 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 FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2019 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.

## 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 below. 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.

## Emphasis of matter - Effects of COVID-19

We draw attention to note 2.3 and note 19 of the financial statements, which describes the economic and social consequences the Company is facing as a result of COVID-19 which may impact upon the live entertainment industry in the UK and overseas, and therefore the Company's ability to perform obligations in accordance with the contracts with clients. Our opinion is not modified in this respect.

## 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.

# **Independent auditor's report**

**to the members of The Way Ahead Group Limited (continued)**

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have 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 strategic report or 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.

## **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 7, 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 The Way Ahead Group 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.

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.

## 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.

DocuSigned by:

*Ernst & Young LLP*

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Helen Hemming (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

Birmingham

Date: 8 December 2020

## Income statement

for the year ended 31 December 2019

	Notes	2019 £000	2018 £000
<b>Turnover</b>	3	22,464	21,325
Ticketing Expenses		(4,933)	(4,211)
Employee Benefits	5	(5,920)	(5,576)
Depreciation and Amortisation		(2,311)	(1,984)
Other Operating Expenses		(2,536)	(2,740)
Finance Costs	6	(810)	(351)
Finance Income	7	499	850
<b>Profit before taxation</b>	4	6,453	7,313
Tax (expense) / credit	8	(1,240)	181
<b>Profit for the financial year</b>		<u>5,213</u>	<u>7,494</u>

## Statement of comprehensive income

	2019 £000	2018 £000
<b>Profit for the financial year</b>	5,213	7,494
<b>Other comprehensive income:</b>		
Items that can be reclassified to profit or loss	-	-
Other comprehensive income for the year, net of tax	-	-
<b>Total comprehensive profit for the year</b>	<u>5,213</u>	<u>7,494</u>

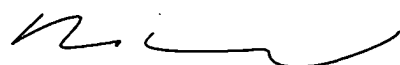
All activities are derived from continuing operations.

## Balance sheet

at 31 December 2019

	Notes	2019 £000	2018 £000
<b>Fixed assets</b>			
Tangible assets	9	1,880	725
Intangible assets	10	108	157
Investments	11	21,979	21,979
		<u>23,967</u>	<u>22,861</u>
<b>Current assets</b>			
Trade and other receivables	12	77,031	68,951
Cash at bank and in hand		4,749	3,963
		<u>81,780</u>	<u>72,914</u>
<b>Creditors: amounts falling due within one year</b>			
Trade creditors	13	7,648	6,304
Amounts owed to group undertakings	13	2,735	1,720
Group relief		1,244	-
Other taxes and social security		5,147	5,201
Other creditors, accruals and deferred income		30,360	30,420
Lease Liability less than one year	14	231	-
		<u>47,365</u>	<u>43,645</u>
<b>Net current assets</b>		34,415	29,269
<b>Total assets less current liabilities</b>		58,382	52,130
Provisions for liabilities	15	(34)	(34)
Lease Liability greater than one year	14	(1,039)	-
<b>Net assets</b>		<u>57,309</u>	<u>52,096</u>
<b>Capital and reserves</b>			
Called up share capital	16	1	1
Retained earnings		57,308	52,095
<b>Total equity</b>		<u>57,309</u>	<u>52,096</u>

The financial statements were approved by the board of directors and authorised for issue on the 8 December 2020.



R I Wilmschurst

Director

Registered no: 03554468

## Statement of changes in equity

at 31 December 2019

	<i>Note</i>	<i>Share capital</i>	<i>Retained earnings</i>	<i>Total equity</i>
		<i>£000</i>	<i>£000</i>	<i>£000</i>
<b>At 1 January 2018</b>		1	44,601	44,602
Profit for the year		-	7,494	7,494
Other comprehensive income		-	-	-
<b>Total comprehensive income for the year</b>		-	7,494	7,494
Dividends paid		-	-	-
<b>At 1 January 2019</b>		1	52,095	52,096
Profit for the year		-	5,213	5,213
Other comprehensive income		-	-	-
<b>Total comprehensive income for the year</b>		-	5,213	5,213
Dividends paid		-	-	-
<b>At 31 December 2019</b>		1	57,308	57,309

## Notes to the financial statements

at 31 December 2019

### 1. Authorisation of financial statements

The financial statements of The Way Ahead Group Limited for the year ended 31 December 2019 were authorised for issue by the board of directors on 8 December 2020 and the balance sheet was signed on the board's behalf by R I Wilmshurst. The Way Ahead Group Limited is a company limited by shares, incorporated and domiciled in England.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except where otherwise indicated.

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary. These financial statements present information about the Company as an individual undertaking and not about its group.

The results of The Way Ahead Group Limited are included in the consolidated financial statements of Vivendi SA which are available from 42, avenue de Friedland, 75380 Paris Cedex 08, France.

### 2. Accounting policies

#### 2.1 Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2019.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of IFRS 7 Financial Instruments: Disclosures;
- (b) the requirements of IFRS 9 Financial Instruments: Disclosures
- (c) The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115; 118, 119(a) to 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- (d) the requirements of paragraphs 91 – 99 of IFRS 13 Fair Value Measurement;
- (e) the requirements of IAS 7 Statement of Cash Flows;
- (f) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- (g) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which, is a party to the transaction, is wholly owned by such a member; and
- (h) the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 *Presentation of Financial Statements*;
- (i) the requirement of paragraph 52, the second sentence of paragraph 89 and paragraphs 90, 91 and 93 of IFRS 16 Leases.
- (j) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - (i) paragraph 79(a)(iv) of IAS 1;
  - (ii) paragraph 73(e) of IAS 16 *Property, Plant and Equipment*; and
- (k) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

## Notes to the financial statements continued

at 31 December 2019

### 2. Accounting policies (continued)

#### **2.2 Basis of measurement**

The financial statements have been prepared on the historical cost basis, except for certain financial assets and liabilities which are measured at fair value as indicated in note 2.5 "significant accounting policies".

#### **2.3 Going concern**

The Company's business activities and its financial position are set out in the Strategic Report on page 2.

The Company's Balance Sheet shows net assets of £58,614k (2018: £52,096k), and at year end reported net current assets of £47,365k (2018: £43,645k). The Company participates in the Vivendi Group centralised treasury arrangements and shares banking and intercompany loan arrangements with the Group, Vivendi S.A., and other subsidiaries. The Company is managed as part of the UK Vivendi reporting group and budgets and forecasts are prepared at that level. The UK group's forecasts and budgets identify that the UK group is expected to meet its liabilities as they fall due for a period of at least 12 months from the date on which these financial statements are approved. A key assumption in the UK group's forecasts is the continuing availability of funds that are swept into the Group Treasury cash pooling arrangements and the intercompany loans provided by the Group to the Company. The Company has received a letter of financial support from the ultimate parent company, Vivendi S.A. which confirms that the Group, if required, will provide financial support to for the period of at least 12 months from the date of signing these financial statements.

The directors of the Company have considered information regarding the Group's ability to provide support to the Company. This information included the Group's Q2 2020 results released on 30 July 2020, which showed that the Group had total cash and cash equivalents of €2.4billion and undrawn facilities of €3.7billion as at 30 June 2020.

The directors of the Company have made enquiries of the directors of Vivendi S.A. to confirm that it has the ability to provide financial support, noting the financial position of the Company as described above.

Whilst there remains uncertainty regarding the impact of COVID-19, the directors of the Company have concluded that, if required, the Group will be able to provide financial support to the Company, for a period of at least 12 months from the date of approval of these financial statements. Accordingly, the Directors are satisfied that they have a reasonable basis upon which to conclude that the Company is able to meet its liabilities as they fall due in the foreseeable future and that it remains appropriate to prepare the financial statements on a going concern basis.

The directors have prepared forecasts and concluded that the Company is able to operate and meet any obligations as they fall due for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements.

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 in preparing the report and financial statements.

#### **2.4 Judgement in applying accounting policies and key sources of estimation.**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be appropriate under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.



## Notes to the financial statements continued

at 31 December 2019

### 2. Accounting policies (continued)

#### *Estimates*

The following assumptions involving estimates have had the most significant effect on amounts recognised in the financial statements. The Company has considered the impact of COVID-19 on these and any other potential material risks in note 18:

- Promoter Advances are recognised as a receivable based on estimated future ticket sales
- A dilapidation provision has been recognised based on an estimated cost for future repairs in order to return the leased building to its original state as at the time of the lease commencement.
- Estimated investment impairment contains assumptions for future cashflows which are based on historical data and expected future events.

#### *Judgements*

The following assumptions involving judgments have had the most significant effect on amounts recognised in the financial statements:

#### *Revenue*

Reviewing the steps with regard to IFRS 15, The Way Ahead Group Ltd identifies the promoter as its customer and carries out the sale of tickets on the promoter's behalf. The company's performance obligation is to take payment for the ticket and give the end consumer access to the event. In accordance with IFRS 15.31 the company views the control of the ticket passing to the end consumer at the point of sale and therefore recognises its booking and transaction fee revenue at the point of sale. Revenue continues to be recognised on an agent basis rather than as principle under IFRS 15

#### *Investments*

The financial statements include investments in subsidiaries and assumptions have been used in calculating the future value of the investments.

#### *Taxation*

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 8.

#### *Advances accounting*

Management have made the assessment on a number of factors in determining whether the Advance payments to promoters as part of the contracts for future events, as shown within Other debtors in note 12, is recoverable. The most notable of these would be the assessment of the level of ticketing commission to be earned under the contract. Management have also made judgments in respect of the accounting treatment of any associated impairment or expected credit loss associated with these advance payments.

#### *Lease accounting*

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group cannot readily determine the interest rate implicit in the lease, and therefore has developed a calculation method to determine its incremental borrowing rate that would apply to the financing of the leased assets. The discount rate is calculated based on the following parameters: maturity of the lease liability and reference rate of the relevant currency and the Group credit spread on the basis that the Group provides the majority of the financing requirements of its subsidiaries where necessary.

## Notes to the financial statements continued

at 31 December 2019

### 2. Accounting policies (continued)

#### 2.5 Significant accounting policies

##### **Capital**

The Company's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

##### **Tangible fixed assets**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Fixtures and fittings	4 years
Computer equipment	4 years
Plant and equipment	4 years
Leasehold improvements	for the remaining life of the lease

Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

##### **Investments**

Investments in subsidiaries are shown at historic cost less any applicable provision for impairment.

##### **Intangible fixed assets**

Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the income statement in the year in which the expenditure is incurred. The useful lives of assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year end and for the current year are as follows:

Software and website development costs	4 years
--	---------

Change in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement where the asset is derecognised.

##### **Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. Where the carrying amount exceeds the recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

## Notes to the financial statements continued

at 31 December 2019

### 2. Accounting policies (continued)

#### *Provisions for liabilities*

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. If the effect is material, expected future cash flows are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

#### *Financial Assets*

##### *Initial Recognition and measurement*

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit and loss or loans and receivables as appropriate. The Company determines the classification of its financial assets at initial recognition. All financial assets are recognised initially at fair value plus directly attributable transaction costs.

##### *Subsequent measurement*

The subsequent measurement of financial assets depends on their classification as follows:

##### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Financial assets at fair value through profit and loss are carried in the balance sheet at fair value with changes in fair value recognised in finance revenue or finance expense in the profit and loss account.

##### *Receivables*

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance revenue in the profit or loss account. The losses arising from impairment are recognised in the profit and loss account in other operating expenses.

##### *De-recognition of financial assets*

A financial asset is derecognised when (i) the rights to receive cash flows from the asset have expired or (ii) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

##### *Impairment of financial assets*

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced, with the amount of the loss recognised in administrative expenses.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the profit and loss account, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

## Notes to the financial statements continued

at 31 December 2019

### 2. Accounting policies (continued)

#### **Financial liabilities**

##### *Initial recognition and measurement*

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

##### *Subsequent measurement*

The measurement of financial liabilities depends on their classification as follows:

##### *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. Gains or losses on liabilities held for trading are recognised in profit or loss.

##### *De-recognition of financial liabilities*

A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

##### *Fair values*

The fair value of financial instruments that are traded in active markets at the reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

##### *Trade and other receivables*

Trade and other debtors are recognised and carried at the lower of their original invoiced value and recoverable amount. Provision for impairment is made through profit or loss when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

##### *Cash at bank and in hand*

Cash comprises cash at banks and in hand and short term deposits with an original maturity of three months or less.

##### *Revenue recognition*

Revenue is recognised to the extent that the Company obtains the right of consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT, and other sales taxes or duty.

Reviewing the steps with regard to IFRS 15, The Way Ahead Group Ltd identifies the promoter as its customer and carries out the sale of tickets on the promoter's behalf. The company's performance obligation is to take payment for the ticket and give the end consumer access to the event. These fees include:

Booking fees – fees for to cover staff, customer services, credit card commissions and all the other costs associated with running the business.

Transaction fees – fees for processing orders, printing, packing and delivering the tickets

## Notes to the financial statements continued

at 31 December 2019

### 3. Accounting policies (continued)

In accordance with IFRS 15.31 the company views the control of the ticket passing to the end consumer at the point of sale and therefore recognises its booking and transaction fee revenue at the point of sale.

Revenue continues to be recognised on an agent basis rather than as principal under IFRS 15

The following criteria must also be met before revenue is recognised:

*Other income* – Supplementary revenue arising in addition to the sale of tickets is recognised when the significant risks and rewards of ownership have passed to the buyer, whether or not the goods have yet been despatched.

*Interest income* – Revenue is recognised as interest accrues using the effective interest method.

#### **Income taxes**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised in respect of all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets are recognised only to the extent that is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the Company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are charged or credited directly to equity. Otherwise income tax is recognised in the income statement.

#### **Pensions**

The Company operates a defined contribution pension plan, contributions to personal pension schemes are charged to the profit and loss account in the period in which they become payable.

#### **Foreign currencies**

The Company's financial statements are presented in Sterling, which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

## Notes to the financial statements continued

at 31 December 2019

### 2. Accounting policies (continued)

#### *Signing on fees*

Amounts paid to secure contracts with promoters are held as debtors and amortised over the life of the contracts. Any impairment in values are recognised as incurred.

#### *The first time adoption of IFRS 16*

The Standard "IFRS 16 Leases" was applied for the first time in the financial year 2019 and adopted as of 1 January 2019 in accordance with the transitional provisions. As part of the transition to IFRS 16, assets for rights of use of leased assets in the amount of £1,466k and lease liabilities in the amount of £1,466k were recognised as of January 2019.

The conversion to IFRS 16 was carried out according to the simplified modified retrospective approach. The rights of use were measured in the amount of the corresponding lease liabilities with the corresponding exercise of options. Comparative information for previous year periods was not adjusted in application of corresponding transitional regulations.

As part of the first-time adoption of IFRS 16, the Company decided to apply the option under IFRS 16.5 in conjunction with IFRS 16.C9(a) and not to apply the new regulations to leases of low value assets and short-term leases (i.e leases with a term of no more than twelve months at the date of commitment). In addition, the Company has applied the relief provisions of IFRS 16.C3 and has not reviewed agreements that were not classified as leases under IAS 17 "Leases" in conjunction with IFRIC 4 "Determining whether an arrangement contains a lease" in accordance with the definition of a lease as set out in IFRS 16. The Company does not make use of the option to include leases of other intangible assets not excluded under IFRS 16 in the scope of IFRS 16.

In addition, further first-time adoption facilitation options were exercised for leases classified as operating leases until 31 December 2018 in accordance with IAS 17. These include the waiver of an impairment test of the rights of use at the time of transition to IFRS 16, the treatment of leases with a remaining term of less than 12 months as of 1 January 2019 as short term leases, no recognition of initial direct costs for leases at the time of transition to the new regulation and the assessment of existing renewal and termination options in the and knowledge. There were no onerous leases at the time of first-time adoption. No uniform discount rate is used for portfolios of leases.

#### **Leasing and hire purchase commitments**

##### **i. Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (ie., the date the underlying asset is available for use). Right-of-use assets are measured at the cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets include the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Building leasing 7 years

If ownership of the lease asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

##### **ii. Lease Liabilities**

At the commencement date of the lease; the Group recognises lease liabilities measure at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

## Notes to the financial statements continued

at 31 December 2019

### 3. Turnover

Turnover is derived within the United Kingdom from commissions earned on the sale of tickets and associated services and is recognised at the point of sale, except for coach revenue which is recognised at the event date. An analysis of turnover by classification is as follows:

	2019	2018
	£000	£000
Rendering of services	22,464	21,325
	<u>22,464</u>	<u>21,325</u>

Less than 2% of revenue is derived from sales outside of the United Kingdom.

### 4. Profit before tax

This is stated after charging:

	2019	2018
	£000	£000
Depreciation of tangible fixed assets: owned	349	335
Depreciation right of use of asset	216	-
Amortisation of intangible assets	81	111
Amortisation of signing on fees	1,665	1,538
Operating lease rentals:		
- minimum lease payments	38	129
- sublease payments	-	-
	<u>-</u>	<u>-</u>

The Company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the Company.

	2019	2018
	£000	£000
Audit of the financial statements	42	43

There were no amounts paid for non-audit services during the year.

### 5. Staff costs and directors' remuneration

Staff costs, including directors, were as follows:

	2019	2018
	£000	£000
Wages and salaries	5,192	4,969
Social security costs	556	472
Defined contribution pension scheme costs	172	135
	<u>5,920</u>	<u>5,576</u>

## Notes to the financial statements continued

at 31 December 2019

### 5. Staff costs and directors' remuneration (continued)

The average monthly number of employees (including directors) during the year was made up as follows:

	2019 No.	2018 No.
Office and management	4	4
Administration staff	86	72
Operators	112	123
	<u>202</u>	<u>199</u>

#### *Directors' remuneration*

	2019 £000	2018 £000
Emoluments	429	443
Company contributions to defined contribution pension schemes	14	13
	<u>443</u>	<u>456</u>

One director had retirement benefits accruing under the Company's money purchase scheme at the period end (2018: one director). Certain directors are also directors or officers of a number of companies within the 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 Company for the current or prior year.

In respect of the highest paid director:	2019 £000	2018 £000
Aggregate remuneration	429	443
Accrued pension at the end of the year	14	13

### 6. Finance costs

	2019 £000	2018 £000
Interest payable to group undertakings	32	351
Exchange gain on foreign currency borrowings	778	-
	<u>810</u>	<u>351</u>

### 7. Finance income

	2019 £000	2018 £000
Bank Interest	6	2
Other Interest	-	6
Interest receivable from group undertakings	493	725
Exchange gain on foreign currency borrowings	-	117
	<u>499</u>	<u>850</u>



## Notes to the financial statements continued

at 31 December 2019

### 8. Taxation

#### (a) Tax expense / (credit) in the income statement

	2019 £000	2018 £000
<b>Current income tax:</b>		
UK corporation tax	-	1,536
Group relief payable	1,244	-
Adjustments in respect of prior years	-	(1,719)
Total current income tax	1,244	(183)
<b>Deferred tax:</b>		
Origination and reversal of temporary differences	(4)	2
Adjustments in respect of prior years	-	-
Total deferred tax	(4)	2
<b>Tax expense / (credit) in the income statement</b>	<b>1,240</b>	<b>(181)</b>

#### (b) Tax relating to items charged or credited to other comprehensive income

There is no tax charged or credited in respect of items of other comprehensive income (2018: £nil).

#### (c) Reconciliation of the total tax (credit) / expense

The tax expense in the income statement for the year is lower than the average rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below:

	2019 £000	2018 £000
19% on ordinary activities before tax	6,453	7,313
Tax calculated at UK average rate of corporation tax of 19% (2018: 19%)	1,226	1,390
<b>Effects of:</b>		
Expenses not deductible for tax purposes	13	149
Movement in timing differences	-	-
Adjustments in respect of prior years (Adjustment following the payment of prior year group relief)	-	(1,719)
Impact of change in tax rate	1	-
<b>Total tax expense / (credit) reported in the income statement</b>	<b>1,240</b>	<b>(181)</b>

## Notes to the financial statements continued

at 31 December 2019

### 8. Taxation (continued)

#### (d) Deferred tax

The deferred tax included in the balance sheet is as follows:

	2019	2018
	£000	£000
<b>Deferred tax asset</b>		
Accelerated capital allowances	156	154
Other timing differences	<u>6</u>	<u>4</u>
	<u>162</u>	<u>158</u>

The deferred tax in the income statement is as follows:

	2019	2018
	£000	£000
<b>Deferred tax in the income statement</b>		
Accelerated capital allowances	3	2
	<u>3</u>	<u>2</u>
Deferred tax expense		

#### (e) Changes in the Corporation tax rate

The standard rate of Corporation Tax in the UK reduced from 20% to 19% with effect from 1 April 2017. Accordingly, the Company's profits for this accounting period are taxed at an effective rate of 19%. A further reduction to 17% was also enacted on 15 September 2016 by virtue of the Finance Act 2016 s46. However, as announced in the Budget on 11 March 2020, the corporation tax main rate will not reduce to 17% and remain at 19%. The effect of this change is not expected to be material and deferred tax balances have been stated at a rate of 17%. The estimated effect on the Company would be an increase in its net deferred tax liability of £19k.

# Notes to the financial statements continued

at 31 December 2019

## 9. Tangible fixed assets

	<i>Plant and equipment £000</i>	<i>Fixtures and fittings £000</i>	<i>Computer equipment £000</i>	<i>Short leasehold improvements £000</i>	<i>Right of Use £000</i>	<i>Total £000</i>
Cost or valuation:						
At 1 January 2019	166	430	1,682	63	-	2,341
Right of Use Asset					1,466	1,466
Additions	4	66	184	-	-	253
Disposals	-	-	-	-	-	-
At 31 December 2019	170	496	1,866	63	1,466	4,060
Depreciation:						
At 1 January 2019	164	338	1,059	54	-	1,615
Charge for the year	3	55	290	1	216	565
On disposals	-	-	-	-	-	-
At 31 December 2019	167	393	1,349	55	216	2,180
Net book value:						
At 31 December 2019	3	103	517	8	1,250	1,880
At 1 January 2019	2	92	623	9	-	726

## 10. Intangible assets

	<i>Software £000</i>
Cost or valuation:	
At 1 January 2019	743
Additions	32
Disposals	-
At 31 December 2019	775
Amortisation:	
At 1 January 2019	586
Charge for the year	81
On disposals	-
At 31 December 2019	667
Net book value:	
At 31 December 2019	108
At 1 January 2019	157

## Notes to the financial statements continued

at 31 December 2019

### 11. Investments

Cost or valuation:

	<i>Investment in subsidiary undertakings £000</i>
At 1 January 2019	21,979
Additions	-
Disposals	-
At 31 December 2019	<u>21,979</u>
Impairment:	
At 1 January 2019	-
Expense for the year	-
At 31 December 2019	<u>-</u>
Net book value:	-
At 31 December 2019	<u>21,979</u>
At 1 January 2019	<u>21,979</u>

*Investments in subsidiaries*

<i>Name</i>	<i>Class of shares</i>	<i>Holding</i>	<i>Nature of business</i>
Intascope.com Limited	Ordinary	100%	Software development based in the UK
Paylogic Holding BV	Ordinary	100%	Ticket Sales and access management based in the Netherlands

Intascope.com Limited has a registered office address of, Norfolk House, 47 Upper Parliament Street, Nottingham, NG1 2AB.

SEE Tickets B.V. has a registered office address of Nieuwe, Boteringestraat 28, 9712 PM, Groningen.

Intascope.com Ltd is expected to cease trading during 2020. The company have assessed the carrying value of the investment for impairment and have concluded that the recoverable amount is sufficient so no impairment is required.

## Notes to the financial statements continued

at 31 December 2019

### 12. Trade and other receivables

	2019 £000	2018 £000
Trade debtors	526	516
Amounts due from group undertakings	69,536	64,781
Corporation Tax	275	261
Prepayments and accrued income	627	535
Deferred tax assets	162	158
Other debtors	5,527	1,995
	<u>76,653</u>	<u>68,246</u>
Amounts falling due after more than one year:		
Other debtors	648	705
	<u>77,031</u>	<u>68,951</u>

### 13. Creditors: amounts falling due within one year

The amounts owed to group undertakings are non-interest bearing and repayable on demand.

Trade creditors are non-interest bearing and are normally settled on 14 day terms.

Other creditors are non-interest bearing and have an average term of 2 months.

### 14. Lease Obligations

	<i>Lease Obligations £000</i>
Operating Lease Obligations at 31 December 2018	1,466
Payments made during 2019	(227)
Interest charged during 2019	31
Operating Lease Obligations at 31 December 2019	<u>1,270</u>
Amounts falling due within one year	231
Amounts falling due greater than one year	<u>1,039</u>
Operating Lease Obligations at 31 December 2019	<u>1,270</u>

## Notes to the financial statements continued

at 31 December 2019

### 15. Provisions

	<i>Leasehold dilapidations £000</i>
At 1 January 2019	34
Utilised in the year	-
At 31 December 2020	<u>34</u>

Amounts provided in respect of dilapidations of leasehold premises relate to the cost of making good the wear and tear on the premises during the Company's occupancy. The Company has provided an amount of £34,381 (2018: £34,381) in respect of this, which is expected to be utilised over the remaining life of the lease.

### 16. Authorised and issued share capital

	<i>2019 £</i>	<i>2018 £</i>
<b>Allotted, called up and fully paid</b>		
1,100 'A' Ordinary shares of £0.25 each	275	275
463 'B' Ordinary shares of £0.50 each	<u>232</u>	<u>232</u>
	<u>507</u>	<u>507</u>

Only the 'A' ordinary shareholders are entitled (to the exclusion of the 'B' ordinary shareholders) to 100% of any distribution of the Company's post-adoption profits. The 'B' ordinary shareholders are entitled (to the exclusion of the 'A' ordinary shareholders) to 100% of any distribution of the Company's pre-adoption profits.

On winding up or other return of capital and surplus assets of the Company shall be paid to 'B' ordinary shareholders in priority to the rights of holders of 'A' ordinary shares. The balance of any surplus assets shall be paid to the 'A' ordinary shareholders by reference to the amounts paid up or credited as paid up on such shares respectively held by them.

### 17. Financial commitments

Future minimum commitments under non-cancellable operating leases are as follows:

	<i>2019 Land and Buildings £000</i>	<i>Other £000</i>	<i>2018 Land and Buildings £000</i>	<i>Other £000</i>
Not later than one year	-	2	227	10
After one year but not more than five years	-	-	942	2
After five years	-	-	436	-
	<u>-</u>	<u>2</u>	<u>1,605</u>	<u>12</u>

## Notes to the financial statements continued

at 31 December 2019

### 18. Ultimate parent undertaking and controlling party

The immediate parent undertaking is See Group Limited.

The ultimate parent undertaking and controlling party is Vivendi SA, a Company incorporated in France and listed on the French stock exchange. This is the smallest and largest group into which the results of the Company are consolidated. Copies of Vivendi SA financial statements are available from its registered office 42, Avenue de Friedland, 75380 Paris Cedex 08, France.

### 19. Post Balance Sheet events

As noted throughout the report and accounts, the outbreak of COVID-19 has had certain impacts on the Company. Given the unprecedented situation in the UK and Ireland, there remains significant uncertainty as to the length and extent of the impact on individuals, communities and the economy as a whole. However, this is a non-adjusting event post balance sheet event for the year to 31 December 2019 so there are no material impacts, or uncertainties have been identified which require adjustment in the current year financial statements.

The Company has considered the impact of COVID-19 on the Company's financial statements, with an expectation of any direct adverse impacts to the Company to continue for a total period of 18 months, noting that there remains significant uncertainty as to the length and extent of the impact on individuals, communities and the economy as whole, and therefore it is not possible to accurately estimate the potential impacts at this stage. The Company is working with its customers to ensure that services can continue to be provided as required.

The directors have considered the areas of the accounts that could have been potentially impacted by this, noting that, as COVID-19 is considered a non-adjusting post Balance Sheet event, any impact would be reflected in the results for 31 December 2020, and assessed that in respect of the balances as at 31 December 2019:

- accounts receivable and contract assets included in the Balance Sheet have been recovered post year end;
- no adverse material impact is expected on the carrying value of fixed assets;
- there are risks that advances made to promoters may need to be considered for recoverability in future periods if demand for tickets did not recover;
- the impact on the company's subsidiaries could lead to the need for impairment of such assets in future years;
- no other estimates or judgments would require reassessment as a result of COVID-19.

The directors have also considered potential impacts to the future performance of the Company, and note the following potential risks arising as a result of the impacts of COVID-19:

- Any restrictions to live events will have an ongoing impact on the Company's trading performance.
- If the situation is prolonged this could have an effect on some clients' ability to continue in the live entertainment industry with commercial impact on the Company.

Certain promoter ticket advances, currently shown as amounts receivable within one year, may now not be fully recovered until a period of more than one year of the Balance sheet date.