

**IMAGEM UK LIMITED**  
**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

MONDAY



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COMPANIES HOUSE

**IMAGEM UK LIMITED  
DIRECTORS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

K Hoskins  
K Frankiewicz  
J Minch  
CP Masters Beheer BV

**COMPANY SECRETARY**

K Hoskins

**REGISTERED OFFICE**

Aldwych House  
71-91 Aldwych  
London  
WC2B 4HN

**BANKER**

Barclays Bank Plc  
27 Soho Square  
London  
W1D 3QR

**AUDITOR**

KPMG LLP  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL

**IMAGEM UK LIMITED  
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## **IMAGEM UK LIMITED STRATEGIC REPORT**

### **PRINCIPAL ACTIVITY**

The principal activity of the group throughout the year was music publishing. The directors do not anticipate that this activity will change in the foreseeable future.

### **BUSINESS REVIEW**

During the year, the group traded satisfactorily. The board uses the production of an annual budget as the main performance indicator to judge business progress through the period. This budget is reinforced by a half year reforecast, undertaken on a 6 months actual, plus 6 months reforecast basis. In addition, the board constantly reviews the net publishers share generated on the various revenue formats.

The financial results of the group for the year, set out in the profit and loss account on page 5, show a consolidated loss on ordinary activities before taxation of £2,145,000 (2014: £1,054,000).

No charitable or political donations were made in the year (2014: £nil).

The key performance indicator used to measure the performance of the company and group is Net Publisher's Share, or NPS, and resultant margin, which is the difference between royalty income received and royalty expense paid and equates to the company's gross profit. Monthly actual performance is monitored against a budget drawn up in conjunction with the previous year's results and remedial action taken as and when necessary.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

As part of the ongoing review of business risk and performance, the ultimate parent company board met monthly. The principal risks and uncertainties facing the business are as follows:

- the group's revenues are substantially made up of royalty revenues on copyrighted music signed to the group. The group is dependent on the continuing popularity of the works to which it has exploitation rights;
- the group's main source of funding is a Euro denominated intercompany loan and is therefore subject to potentially adverse exchange movements in respect of interest payable; and
- the group also remains exposed to foreign exchange fluctuations associated with the periodic revaluation of the Euro loan principal, which has not been hedged. The directors have put in place group measures to mitigate this risk.

At the year end, the board considers the group to be well placed to continue to exploit its valuable range of catalogues, although the board remains vigilant to further opportunities for increased profitability, either through catalogue acquisition, or cost saving.

The consolidated balance sheet at 31. December 2015 showed net current liabilities of £22,245,000 (2014: £22,950,000). Imagem Holding BV, its immediate parent, has confirmed that it will continue to provide support to the group to enable it to meet its liabilities as they fall due for at least twelve months from the date of signing the financial statements.

### **ON BEHALF OF THE BOARD**



**K Hoskins**  
Director

11 May 2016

**IMAGEM UK LIMITED  
DIRECTORS' REPORT**

The directors present the directors' report and the audited consolidated financial statements for the year ended 31 December 2015.

**DIRECTORS**

The directors, who served during the period, were as follows:

K Frankiewicz  
K Hoskins  
J Minch  
CP Masters Beheer BV

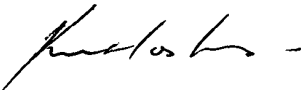
**DISCLOSURE OF INFORMATION TO AUDITOR**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**AUDITOR**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

**ON BEHALF OF THE BOARD**



**K Hoskins**  
Director

Aldwych House  
71-91 Aldwych  
London WC2B 4HN

11 May 2016

**IMAGE UK LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP  
15 Canada Square  
London  
E14 5GL  
United Kingdom

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IMAGEM UK LIMITED**

We have audited the financial statements of Imagem UK Limited for the year ended 31 December 2015 set out on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Andrew Turner (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*

15 Canada Square  
London  
E14 5GL

12 May 2016

**IMAGEM UK LIMITED**  
**CONSOLIDATED PROFIT & LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME**  
**Year ended 31 December 2015**

	Notes	2015 £000	2014 £000
Turnover	2	12,781	17,353
Cost of sales		(10,196)	(13,326)
<b>Gross profit</b>		<b>2,585</b>	<b>4,027</b>
Administrative expenses		(4,538)	(5,172)
<b>Operating loss</b>		<b>(1,953)</b>	<b>(1,145)</b>
Interest receivable	4	1,075	1,501
Interest payable	4	(1,267)	(1,410)
<b>Loss on ordinary activities before taxation</b>	5	<b>(2,145)</b>	<b>(1,054)</b>
Tax on loss on ordinary activities	6	-	-
<b>Loss for the year</b>		<b>(2,145)</b>	<b>(1,054)</b>

All income and losses relate to continuing operations.

The company had no items of other comprehensive income in the year, other than those stated in the profit and loss account.

Notes on pages 9 to 15 form part of the financial statements.



**IMAGE UK LIMITED**  
**CONSOLIDATED BALANCE SHEET**  
**31 December 2015**

	Notes	2015 £000	2014 £000
<b>Fixed assets</b>			
Intangible assets	8	34,086	36,936
		<hr/>	<hr/>
		34,086	36,936
		<hr/>	<hr/>
<b>Current assets</b>			
Debtors	10	1,295	2,640
Cash at bank and in hand		5,613	3,715
		<hr/>	<hr/>
		6,908	6,355
<b>Current liabilities</b>			
Amounts falling due within one year	11	(29,153)	(29,305)
		<hr/>	<hr/>
<b>Net current liabilities</b>		(22,245)	(22,950)
		<hr/>	<hr/>
<b>Net assets</b>		11,841	13,986
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	12	-	-
Share premium		30,000	30,000
Profit and loss account		(18,159)	(16,014)
		<hr/>	<hr/>
<b>Shareholder's funds</b>		11,841	13,986
		<hr/>	<hr/>

Notes on pages 9 to 15 form part of the financial statements.

The financial statements were approved and authorised for issue by the board of directors on 11 May 2016.

Signed on behalf of the board of directors



**K Hoskins**  
 Director

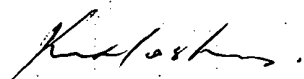
**IMAGEM UK LIMITED**  
**COMPANY BALANCE SHEET**  
**31 December 2015**

	Notes	2015 £000	2014 £000
<b>Fixed assets</b>			
Intangible assets	8	88	92
Investments	9	30,130	32,000
		<hr/>	<hr/>
		30,218	32,092
		<hr/>	<hr/>
<b>Current assets</b>			
Debtors	10	1,830	2,842
Cash at bank and in hand		5,480	3,659
		<hr/>	<hr/>
		7,310	6,501
<b>Current liabilities</b>			
Amounts falling due within one year	11	(29,005)	(29,014)
		<hr/>	<hr/>
<b>Net current liabilities</b>		(21,695)	(22,513)
		<hr/>	<hr/>
<b>Net assets</b>		8,523	9,579
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	12	-	-
Share premium		30,000	30,000
Profit and loss account		(21,477)	(20,421)
		<hr/>	<hr/>
<b>Shareholder's funds</b>		8,523	9,579
		<hr/>	<hr/>

Notes on pages 9 to 15 form part of the financial statements.

The financial statements were approved and authorised for issue by the board of directors on 11 May 2016.

Signed on behalf of the board of directors



**K Hoskins**  
 Director

**IMAGEM UK LIMITED**  
**STATEMENT OF CHANGES IN CONSOLIDATED EQUITY**  
**Year ended 31 December 2015**

	Share premium	Profit & loss account	Total shareholder's funds
	£000	£000	£000
At 1 January 2015	30,000	(16,014)	13,986
Loss for the year	-	(2,145)	(2,145)
At 31 December 2015	30,000	(18,159)	11,841
At 1 January 2014	30,000	(14,960)	15,040
Loss for the year	-	(1,054)	(1,054)
At 31 December 2014	30,000	(16,014)	13,986

Notes on pages 9 to 15 form part of the financial statements.

**IMAGEM UK LIMITED**  
**STATEMENT OF CHANGES IN COMPANY EQUITY**  
**Year ended 31 December 2015**

	Share premium	Profit & loss account	Total shareholder's funds
	£000	£000	£000
At 1 January 2015	30,000	(20,421)	9,579
Loss for the year	-	(1,056)	(1,056)
At 31 December 2015	30,000	(21,477)	8,523
At 1 January 2014	30,000	(22,390)	7,610
Profit for the year	-	1,969	1,969
At 31 December 2014	30,000	(20,421)	9,579

Notes on pages 9 to 15 form part of the financial statements.

**IMAGEM UK LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued**  
**Year ended 31 December 2015**

**1. ACCOUNTING POLICIES**

A summary of the accounting policies, which have been applied on a consistent basis during the current period is set out below.

**Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable laws and accounting standards in the United Kingdom.

The financial statements have been prepared on a going concern basis, notwithstanding the group's net current liabilities of £22,245,000 (2014: £22,950,000) and parent company's net current liabilities of £21,695,000 (2014: £22,513,000). Imagem CV has confirmed that it will continue to provide support to the group and company to enable them to meet their liabilities as they fall due for at least twelve months from the date of signing the financial statements.

The directors believe that the group is a going concern based on the cash flow forecasts prepared for the next 12 months. However, in order to be able to operate within these forecasts, the group is reliant on its immediate parent company not to recall any loans that may fall due within the next 12 months. The immediate parent company has provided the group with an undertaking that it will, for at least 12 months from the date of approval of these financial statements, continue to make available such funds as are needed by the group and in particular will not seek repayment of the amounts currently made available. This should enable the group to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment.

As with any group placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on this undertaking the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

**Basis of preparation**

These financial statements have been prepared on a going concern basis which the Directors believe to be appropriate.

The financial statements have been prepared under the historical cost convention and in accordance with applicable law and accounting standards in the United Kingdom.

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP), Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company's parent undertaking is Imagem Holding BV and the ultimate parent undertaking is Algemene Pensioen Groep, an institution registered in The Netherlands which includes Boosey & Hawkes Holdings Limited in its consolidated financial statements. Both the parent and ultimate parent undertakings are incorporated in the Netherlands. The financial statements of Imagem Holding BV and Algemene Pensioen Groep are prepared in accordance with Dutch GAAP and are available to the public and may be obtained from:

21 Emmastraat,  
 1211 NE Hilversum,  
 The Netherlands

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments. Hence no reconciliation between the two GAAPs is included in the notes to these accounts.

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes and
- Key Management Personnel compensation.

The Company has adopted the reduced disclosure framework of FRS 102 in the current financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

**Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2015. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

**IMAGEM UK LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued**  
**Year ended 31 December 2015**

**1. ACCOUNTING POLICIES (continued)**

**Basis of consolidation continued**

An associate is an undertaking in which the Group has a long term interest, usually from 20% to 50% of the equity voting rights, and over which it exercises significant influence. A joint venture is an undertaking in which the Group has a long-term interest and over which it exercises joint control. The Group's share of the profits less losses of associates and of joint ventures is included in the consolidated profit and loss account and its interest in their net assets is included in investments in the consolidated balance sheet.

Where a group company is party to a joint arrangement which is not an entity, that company accounts directly for its part of the income and expenditure, assets, liabilities and cash flows. Such arrangements are reported in the consolidated financial statements on the same basis.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

**Accounting estimates and judgements**

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going 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

**Turnover**

Turnover represents royalties received, net of vat. Royalty income is recognised in the period to which it relates, or if it can not be reliably estimated, on a receipts basis.

**Foreign currency translations**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into sterling at the rates of exchange ruling at the balance sheet date.

**Investments**

In the company's financial statements, investments in subsidiary undertakings are stated at cost less provisions. Provisions for any impairment in value are charged to the profit and loss account.

**Current taxation**

Current taxation or group relief is accounted for at the prevailing corporation tax rates.

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted; and
- provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**Basic financial instruments - trade and other debtors/creditors**

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

**Copyrights**

Copyrights are stated at cost less accumulated amortisation. The cost of copyrights not acquired as part of a business combination, is amortised evenly over the shorter of the expected useful Provision is made for any impairment.

**Related party transactions**

Under Financial Reporting Standard 102 (paragraph 33.1A) the company is exempt from disclosure of related party transactions and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

**IMAGEM UK LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued**  
**Year ended 31 December 2015**

**2. SEGMENTAL INFORMATION**

	Turnover 31 December 2015 £000	Turnover 31 December 2014 £000
United Kingdom	9,980	15,689
The Netherlands	2,801	1,664
	<hr/> 12,781 <hr/>	<hr/> 17,353 <hr/>

The group engages in only one class of business. The group is a music publisher, deriving turnover from royalties received.

**3. STAFF COSTS AND DIRECTORS' EMOLUMENTS**

The directors received no remuneration from the group and the group had no staff during the period. Their remuneration is borne by another group company. The group has contracted with Imagem UK Group Services Ltd to provide all administrative and marketing services, as required.

**4. NET INTEREST PAYABLE/(RECEIVABLE)**

	2015 £000	2014 £000
<b>Interest payable</b>		
Interest charges on loans from parent undertaking	1,256	1,405
Exchange gain on foreign currency bank accounts	9	4
Exchange gain on foreign currency creditors	2	1
	<hr/> 1,267 <hr/>	<hr/> 1,410 <hr/>
<b>Interest receivable</b>		
Interest income from fellow group undertakings	-	(3)
Exchange gains on group undertakings loan interest	(53)	(30)
Exchange gains on group undertakings loan	(1,022)	(1,468)
	<hr/> (1,075) <hr/>	<hr/> (1,501) <hr/>
<b>Net interest payable/(receivable) and similar charges/(income)</b>	<hr/> 192 <hr/>	<hr/> (91) <hr/>

**5. EXPENSES AND AUDITOR REMUNERATION**

	2015 £000	2014 £000
Fees payable to the group's auditors: for the audit of the group's accounts	25	25
Amortisation	2,850	2,876
	<hr/> 2,875 <hr/>	<hr/> 2,901 <hr/>

**IMAGEM UK LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued**  
**Year ended 31 December 2015**

**6. TAXATION**

The United Kingdom taxation rate used for the period was 20.25% (2014: 21.50%).

(a) The taxation charge, based on the loss for the period, is made up as follows:

	2015 £000	2014 £000
Current tax:		
United Kingdom taxation at 20.25% (2014: 21.50%)	-	-
	<hr/>	<hr/>
Current year	-	-
	<hr/>	<hr/>
Total tax	-	-
	<hr/>	<hr/>

(b) Factors affecting current tax charge for the period

	2015 £000	2014 £000
Loss for year including tax	(2,145)	(1,054)
Total tax expense	-	-
	<hr/>	<hr/>
Loss for year excluding tax	(2,145)	(1,054)
	<hr/>	<hr/>
Tax using the UK corporation tax rate of 20.25% (2014: 21.50%)	(434)	(227)
expenses not deductible for tax purposes	573	634
group relief claimed at less than the corporation tax rate	(131)	(429)
unutilised losses brought forward	-	(21)
unutilised losses carried forward	26	41
other short term timing differences	(34)	2
	<hr/>	<hr/>
Current taxation for the year	-	-
	<hr/>	<hr/>

(c) Factors that may affect future tax charges:

No deferred tax asset has been recognised in respect of the following timing differences, as their future utilisation is uncertain. The unbooked asset has been calculated at an effective deferred tax rate of 18.0% (2014: 20.0%)

	2015 £000	2014 £000
Losses carried forward	1,141	1,361
Short term timing differences	40	-
	<hr/>	<hr/>
	1,181	1,361
	<hr/>	<hr/>

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. The unrecognised deferred tax asset at the balance sheet date has been calculated based on these rates.

An additional reduction to 17% (effective from 1 April 2020) was announced in the Budget on 16 March 2016. This will reduce the company's future current tax charge accordingly and reduce the unrecognised deferred tax asset at the balance sheet date by £66,000 to £1,115,000.

**IMAGEM UK LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued**  
**Year ended 31 December 2015**

**7. PROFIT FOR THE YEAR**

As permitted by section 408 of the Companies Act 2006, the profit and loss account of the parent company is not included in these financial statements. The parent company's loss before appropriations for the year was £1,056,000 (2014: profit £1,969,000).

**8. INTANGIBLE FIXED ASSETS**

	<b>Group</b>	<b>Company</b>
	<b>Copyrights</b>	<b>Copyrights</b>
	<b>£000</b>	<b>£000</b>
<b>Cost</b>		
At 1 January 2015	57,044	375
Additions	-	-
	<hr/>	<hr/>
At 31 December 2015	57,044	375
	<hr/>	<hr/>
<b>Accumulated amortisation</b>		
At 1 January 2015	20,108	283
Amortisation for the year	2,850	4
	<hr/>	<hr/>
At 31 December 2015	22,958	287
	<hr/>	<hr/>
<b>Net book value</b>		
At 31 December 2015	34,086	88
	<hr/>	<hr/>
<b>Net book value</b>		
At 31 December 2014	36,936	92
	<hr/>	<hr/>

**9. INVESTMENTS - shares in subsidiaries**

	<b>Company</b>
	<b>£000</b>
<b>Cost</b>	
At 1 January 2015 and 31 December 2015	56,543
	<hr/>
<b>Accumulated impairment</b>	
At 1 January 2015	24,543
Charge to profit & loss account	1,870
	<hr/>
At 31 December 2015	26,413
	<hr/>
<b>Net book value</b>	
At 31 December 2015	30,130
	<hr/>
<b>Net book value</b>	
At 31 December 2014	32,000
	<hr/>



**IMAGEM UK LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued**  
**Year ended 31 December 2015**

**9. INVESTMENTS - shares in subsidiaries continued**

At the balance sheet date, the company had an interest in the entire ordinary share capital of the following consolidated subsidiaries:

	Percentage ownership		Country of incorporation
	Direct	Indirect	
<b>Catalogue owning companies</b>			
Imagem Songs Limited	100%		England
Imagem London Limited	100%		England
Imagem Entertainment Limited	100%		England
Imagem Publishing Limited	100%		England
Imagem FTV Ltd	100%		England
<b>Dormant companies</b>			
Grantsville Publishing Limited		100%	England
Imagem Management Limited		100%	England
M56 Publishing Limited		100%	England
Street Music Limited		100%	England
Take Out Music Publishing Limited		100%	England

**10. DEBTORS: amounts due within one year**

	Group		Company	
	2015 £000	2014 £000	2015 £000	2014 £000
Trade debtors	134	216	134	216
Accrued income	698	1,516	698	1,376
Royalty advances	244	399	-	-
Amounts due from parent undertaking	219	-	198	-
Amounts due from fellow group undertakings	-	509	-	500
Amounts due from subsidiary undertaking	-	-	800	750
	<u>1,295</u>	<u>2,640</u>	<u>1,830</u>	<u>2,842</u>

**11. CREDITORS: amounts due within one year**

	Group		Company	
	2015 £000	2014 £000	2015 £000	2014 £000
Trade creditors	1,476	1,071	1,471	1,071
Amounts due to parent undertakings	19,323	20,345	19,323	20,345
Amounts due to fellow subsidiary undertakings	170	263	168	263
Accruals and deferred income	7,262	5,903	7,138	5,791
Accrued loan interest payable	-	680	-	680
Other creditors	922	1,043	905	864
	<u>29,153</u>	<u>29,305</u>	<u>29,005</u>	<u>29,014</u>

**IMAGEM UK LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued**  
**Year ended 31 December 2015**

**12. SHARE CAPITAL**

	<b>2015</b>		<b>2014</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary shares of £1 each				
- authorised shares	100	100	100	100
- allotted called up and fully paid	100	100	100	100

**13. CONTINGENT LIABILITIES**

The group has no contingent liabilities.

**14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

As at the date above the company's ultimate controlling party was *Algemene Pensioen Groep*, an institution registered in The Netherlands at 70 Oude Lindestraat, 6411 EK Heerlen, The Netherlands.

The largest group in which the results of the Company are consolidated is that headed by *Algemene Pensioen Groep*. The smallest group in which they are consolidated is that headed by *Imagem CV* incorporated in The Netherlands. The consolidated financial statements of *Imagem CV* are available at Emmastraat 21, Hilversum 1211 NE, The Netherlands.

**15. RELATED PARTY TRANSACTIONS**

The group has taken advantage of the exemption under FRS102 "Related Party Disclosures" not to disclose related party transactions between subsidiaries. However, during the year the following transactions were undertaken with non-consolidated related parties:

(a) management services fees of £1,538,000 (2014: £1,690,000) were paid to *Imagem UK Group Services Ltd*. The balance outstanding at the balance sheet date was £54,000 (2014: £49,000);

(b) brand license fees of £129,000 (2014: £199,000) were paid to *CTM Publishing BV*. The balance outstanding at the balance sheet date was £18,000 (2014: £51,000);

(c) interest of £1,256,000 (2014: £1,405,000) was accrued in respect of an intercompany loan from *Imagem CV*. The balance outstanding at the balance sheet date was loan principal of £19,323,000 (2014: £20,345,000 and accrued interest payable of £nil (2014: £680,000).

(d) royalty income of £2,801,000 (2014: £1,664,000) was received from *Imagem CV*.

(e) royalty expense of £3,510,000 (2014: £2,221,000) was paid to *Imagem CV*.

(f) the net balance due from *Imagem CV* was £219,000 (2014: £500,000).