

Report of the Directors and
Unaudited Financial Statements for the Year Ended 31 December 2016
for
CSM Sport and Entertainment France
Limited

SATURDAY



A6FKYAD7

A28

23/09/2017

#56

COMPANIES HOUSE

CSM Sport and Entertainment France
Limited

Contents of the Financial Statements
for the Year Ended 31 December 2016

	Page
Company Information	1
Report of the Directors	2
Statement of Comprehensive Income	3
Balance Sheet	4
Statement of Changes in Equity	6
Notes to the Financial Statements	7

CSM Sport and Entertainment France
Limited

Company Information
for the Year Ended 31 December 2016

DIRECTORS:

P C Collard
M J Vandrau

SECRETARY:

D Crowther

REGISTERED OFFICE:

PO Box 70693 62 Buckingham Gate
London
SW1P 9ZP

REGISTERED NUMBER:

07877230 (England and Wales)

ACCOUNTANT:

Deloitte LLP
London
EC4A 3BZ

CSM Sport and Entertainment France
Limited

Report of the Directors
for the Year Ended 31 December 2016

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of providing sports management services.

DIRECTORS

P C Collard has held office during the whole of the period from 1 January 2016 to the date of this report.

Other changes in directors holding office are as follows:

M J Vandrau - appointed 2 February 2016

GOING CONCERN

The financial statements have been prepared on the going concern basis see note 2.

DIRECTORS' INDEMNITIES

As at the date of this report, indemnities are in force under which the company has agreed to indemnify the directors, to the extent permitted by law and company's articles of association, in respect of all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as directors of the company. Chime Group Holdings Limited, the ultimate holding company, has purchased and maintains directors' and officers' insurance cover against legal liabilities and costs for claims in connection with any act or omission by its directors or officers in the execution of their duties, on behalf of this company.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



P C Collard - Director

15 September 2017

CSM Sport and Entertainment France
Limited

Statement of Comprehensive Income
for the Year Ended 31 December 2016

	Notes	31.12.16 €	31.12.15 €
REVENUE		3,627,252	3,298,349
Cost of sales		(802,689)	(916,108)
GROSS PROFIT		2,824,563	2,382,241
Administrative expenses		(3,046,059)	(2,335,783)
OPERATING (LOSS)/PROFIT and (LOSS)/PROFIT BEFORE TAXATION	4	(221,496)	46,458
Tax on (loss)/profit	5	19,450	(84,857)
LOSS FOR THE FINANCIAL YEAR		(202,046)	(38,399)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(202,046)	(38,399)

The notes form part of these financial statements

**CSM Sport and Entertainment France
Limited (Registered number: 07877230)**

**Balance Sheet
31 December 2016**

	Notes	31.12.16 €	31.12.15 €
FIXED ASSETS			
Intangible assets	6	2,650,000	2,650,000
Property, plant and equipment	7	183,020	62,991
		<u>2,833,020</u>	<u>2,712,991</u>
CURRENT ASSETS			
Debtors	8	3,958,011	3,572,582
Cash at bank		105,087	423,631
		<u>4,063,098</u>	<u>3,996,213</u>
CREDITORS			
Amounts falling due within one year	9	(3,288,481)	(2,960,449)
NET CURRENT ASSETS		<u>774,617</u>	<u>1,035,764</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,607,637</u>	<u>3,748,755</u>
CAPITAL AND RESERVES			
Called up share capital	11	11,472	11,472
Share premium		2,638,528	2,638,528
Deemed remuneration reserve		535,822	474,894
Retained earnings		421,815	623,861
SHAREHOLDERS' FUNDS		<u>3,607,637</u>	<u>3,748,755</u>

The company is entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies for the year ended 31 December 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

CSM Sport and Entertainment France
Limited (Registered number: 07877230)

Balance Sheet - continued
31 December 2016

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 15 September 2017 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'P Collard', with a stylized flourish at the end.

P C Collard - Director

CSM Sport and Entertainment France
Limited

Statement of Changes in Equity
for the Year Ended 31 December 2016

	Called up share capital €	Retained earnings €	Share premium €	Deemed remuneration reserve €	Total equity €
Balance at 1 January 2015	11,472	662,260	2,638,528	249,644	3,561,904
Changes in equity					
Total comprehensive income	-	(38,399)	-	225,250	186,851
Balance at 31 December 2015	11,472	623,861	2,638,528	474,894	3,748,755
Changes in equity					
Total comprehensive loss	-	(202,046)	-	60,928	(141,118)
Balance at 31 December 2016	11,472	421,815	2,638,528	535,822	3,607,637

The notes form part of these financial statements

CSM Sport and Entertainment France
Limited

Notes to the Financial Statements
for the Year Ended 31 December 2016

1. STATUTORY INFORMATION

CSM Sport and Entertainment France Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held for Sale and Discontinued Operations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
 - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
 - paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and comprises the gross amounts billed to clients in respect of fees earned, expenses recharged and commission-based income. Revenue is recognised in the income statement when the economic benefits arising from an arrangement are probable.

Revenue is largely derived from retainer fees and services performed subject to specific agreement. Revenue is recognised when the service is performed in accordance with the contractual arrangement through an assessment of the time incurred to date compared to the total hours required to complete the contract, and an assessment of the value delivered to the client compared to the total value of the contract. If the outcome of these can be assessed with reasonable certainty, revenue and related costs are recognised in the income statement. Losses are recognised as soon as they are foreseen.

CSM Sport and Entertainment France
Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

Operating income is revenue less amounts payable on behalf of clients to external suppliers where they are retained to perform part of a specific client project or service, and represents fees, commissions and mark-ups on rechargeable expenses and marketing products.

Contractual arrangements are reviewed to ascertain whether the group acts as principal or agent with regards to third party costs. If the relationship is that of agent then the recharge of third party costs is not recognised through revenue or cost of sales.

Revenue and operating income are stated exclusive of VAT, sales taxes and trade discounts.

All company activities take place in France. No analysis of turnover by class of business is presented as the directors are of the opinion that the company's activities do not substantially differ from each other.

Goodwill

Goodwill arising on a business combination is not amortised but is reviewed for impairment on an annual basis or more frequently if there are indicators that goodwill may be impaired. Any impairment is recognised immediately in the income statement and is not subsequently reversed.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 25% on cost

Taxation

The Company is resident in France for Corporation tax purposes. Current tax, including French corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Employee benefit costs

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

Going concern

The directors have prepared forecasts which indicate that the company has adequate resources to continue in operational existence for the foreseeable future. In preparing these forecasts the directors have taken into account the following key factors in respect of its subsidiary:

- The rate of growth of the French economy on the company's business during the economic recovery;
- Key client account renewals;
- The level of committed and variable costs; and
- Current new business targets compared to levels achieved in previous years.

The Directors have concluded, based on the forecasts, that it is appropriate to prepare the accounts on a going concern basis.

CSM Sport and Entertainment France
Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

2. ACCOUNTING POLICIES - continued

Foreign currencies

The financial statements are presented in Euros, which is the currency of the primary economic environment in which the Company operates (its functional currency).

Transactions in denominated in currencies other than Euros are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Gains and losses arising on retranslation are included in net profit or loss for the period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, 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 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.

Valuation and asset lives of separately identifiable intangible assets

In order to determine the value of the separately identifiable assets on the acquisition of a business combination, management are required to make estimates when utilising the Company's valuation methodologies. These methodologies include the use of discounted cash flows, revenue and profit before tax multiples. Asset lives are estimated based on the nature of the intangible asset acquired and range between 1 and 6 years and indefinite lives.

3. EMPLOYEES AND DIRECTORS

	31.12.16	31.12.15
	€	€
Wages and salaries	1,342,751	895,629
Social security costs	444,734	311,010
Other pension costs	57,595	225,250
	<u>1,845,080</u>	<u>1,431,889</u>

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

	31.12.16	31.12.15
Executive Directors	2	2
Employees	14	11
	<u>16</u>	<u>13</u>

3. EMPLOYEES AND DIRECTORS - continued

	31.12.16	31.12.15
	€	€
Directors' remuneration	-	-

4. (LOSS)/PROFIT BEFORE TAXATION

The loss before taxation (2015 - profit before taxation) is stated after charging:

	31.12.16	31.12.15
	€	€
Depreciation - owned assets	18,069	11,339
Staff costs (see note 3)	1,845,080	1,431,889

5. TAXATION

Analysis of tax (income)/expense

	31.12.16	31.12.15
	€	€
Current tax:		
Tax	26,775	223,391
Deferred tax	(46,225)	(138,534)
Total tax (income)/expense in statement of comprehensive income	(19,450)	84,857

Corporation tax is calculated at 33.33% (2015: 33.33%) of the estimated taxable profit for the year

	31.12.16	31.12.15
	€	€
Profit/(loss) before tax on continuing operations	(221,496)	46,458
Tax at the French corporation tax rate of 33.33% (2015: 33.33%)	(73,824)	15,485
Effect of deemed remuneration cost	20,307	75,076
Other deferred tax movements	46,225	138,534
Under/(over) provision from the prior year	34,067	(5,704)
Tax expense for the year	26,775	223,391

CSM Sport and Entertainment France
Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

6. INTANGIBLE FIXED ASSETS

	Goodwill €
COST	
At 1 January 2016	
and 31 December 2016	2,650,000
NET BOOK VALUE	
At 31 December 2016	2,650,000
At 31 December 2015	2,650,000

7. PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery etc €
COST	
At 1 January 2016	85,962
Additions	138,098
At 31 December 2016	224,060
DEPRECIATION	
At 1 January 2016	22,971
Charge for year	18,069
At 31 December 2016	41,040
NET BOOK VALUE	
At 31 December 2016	183,020
At 31 December 2015	62,991

8. DEBTORS

	31.12.16 €	31.12.15 €
Amounts falling due within one year:		
Trade debtors	3,013,337	2,740,603
Other debtors	454,750	388,280
	3,468,087	3,128,883
Amounts falling due after more than one year:		
Deferred Tax	489,924	443,699
Aggregate amounts	3,958,011	3,572,582

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.16	31.12.15
	€	€
Trade creditors	94,614	110,273
Amounts owed to group undertakings	834,475	229,610
Tax	(213,116)	95,543
Social security and other taxes	564,366	586,621
Accruals and deferred income	2,008,142	1,938,402
	<u>3,288,481</u>	<u>2,960,449</u>

10. DEFERRED TAX

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period

	€
At 1 January 2015	305,165
Charge to profit or loss	<u>138,534</u>
At 1 January 2016	443,699
Charge to profit or loss	<u>46,225</u>
At 31 December 2016	<u>489,924</u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			
Number:	Class:	Nominal value:	
		31.12.16	31.12.15
		€	€
100,000	Ordinary Shares	£0.10	11,472
		<u>11,472</u>	<u>11,472</u>

13. CONTINGENT LIABILITIES

The company, together with the ultimate parent company and certain other companies in the Chime Group Holdings Limited group ("Chime"), has given an unlimited cross-guarantee in favour of its bankers. The company operates under Chime's banking facility. Chime has a committed facility of £273.9 million, comprising £120.9m until September 2021 and £153 million until September 2022. Cash flow movements are monitored to ensure that sufficient financial resources are available. The Group has seen an increase in client pressure to extend credit terms and the resulting terms are closely monitored.

CSM Sport and Entertainment France
Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

14. ULTIMATE CONTROLLING PARTY

The company's immediate parent undertaking and its immediate controlling party is CSM Sport & Entertainment International Ltd, incorporated in the United Kingdom and registered in England and Wales.

The company's ultimate parent company and controlling party is PM VII S.a.r.l, a company incorporated and registered in Luxembourg.

The largest group for which the group financial statements are prepared and of which the group is a member is Chime Group Holdings Limited which is incorporated in the United Kingdom and registered in England and Wales. The smallest group for which the group financial statements are prepared and of which the group is a member is Chime Group Limited which is incorporated in the United Kingdom and registered in England and Wales. Copies of their financial statements are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.