

Report of the Directors and
Unaudited Financial Statements for the Year Ended 31 December 2017
for
CSM Sport and Entertainment France
Limited

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CSM Sport and Entertainment France
Limited

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for the Year Ended 31 December 2017

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CSM Sport and Entertainment France
Limited

Company Information
for the Year Ended 31 December 2017

DIRECTORS:

P C Collard
M J Vandrau

SECRETARIES:

T G Tolliss

REGISTERED OFFICE:

PO Box 70693 62 Buckingham Gate
London
SW1P 9ZP

REGISTERED NUMBER:

07877230 (England and Wales)

CSM Sport and Entertainment France
Limited

Report of the Directors
for the Year Ended 31 December 2017

The directors present their report with the financial statements of the company for the year ended 31 December 2017.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2017 to the date of this report.

P C Collard
M J Vandrau

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

Date: 20th September 2018

CSM Sport and Entertainment France
Limited

Income Statement
for the Year Ended 31 December 2017

	Notes	31.12.17 €	31.12.16 €
TURNOVER		4,187,411	3,627,252
Cost of sales		<u>(1,065,451)</u>	<u>(802,689)</u>
GROSS PROFIT		3,121,960	2,824,563
Administrative expenses		<u>(2,898,660)</u>	<u>(3,046,059)</u>
OPERATING PROFIT/(LOSS)		223,300	(221,496)
Interest receivable and similar income		<u>2,447</u>	<u>-</u>
PROFIT/(LOSS) BEFORE TAXATION	4	225,747	(221,496)
Tax on profit/(loss)	5	<u>67,945</u>	<u>19,450</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>293,692</u>	<u>(202,046)</u>

The notes form part of these financial statements

CSM Sport and Entertainment France
Limited

Other Comprehensive Income
for the Year Ended 31 December 2017

	Notes	31.12.17 €	31.12.16 €
PROFIT/(LOSS) FOR THE YEAR		293,692	(202,046)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>293,692</u>	<u>(202,046)</u>

The notes form part of these financial statements

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

Balance Sheet
31 December 2017

	Notes	31.12.17 €	31.12.16 €
FIXED ASSETS			
Intangible assets	6	2,650,000	2,650,000
Tangible assets	7	150,433	183,020
		<u>2,800,433</u>	<u>2,833,020</u>
CURRENT ASSETS			
Debtors	8	5,142,530	4,171,127
Cash at bank		201,835	105,087
		<u>5,344,365</u>	<u>4,276,214</u>
CREDITORS			
Amounts falling due within one year	9	(4,226,439)	(3,501,597)
NET CURRENT ASSETS		<u>1,117,926</u>	<u>774,617</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,918,359</u>	<u>3,607,637</u>
CAPITAL AND RESERVES			
Called up share capital	10	11,472	11,472
Share premium		2,638,528	2,638,528
Deemed remuneration reserve		602,272	535,822
Retained earnings		666,087	421,815
SHAREHOLDERS' FUNDS		<u>3,918,359</u>	<u>3,607,637</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2017 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) 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
- (b) 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 2017

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
..... and were signed on its behalf by:

20th September 2018



.....
P C Collard - Director

CSM Sport and Entertainment France
Limited

Statement of Changes in Equity
for the Year Ended 31 December 2017

	Called up share capital €	Retained earnings €	Share premium €	Deemed remuneration reserve €	Total equity €
Balance at 1 January 2016	11,472	623,861	2,638,528	474,894	3,748,755
Changes in equity					
Total comprehensive income	-	(202,046)	-	60,928	(141,118)
Balance at 31 December 2016	11,472	421,815	2,638,528	535,822	3,607,637
Changes in equity					
Total comprehensive income	-	293,692	-	66,450	360,142
Balance at 31 December 2017	11,472	715,507	2,638,528	602,272	3,967,779

The notes form part of these financial statements

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.

2. ACCOUNTING POLICIES - continued

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.

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.

2. **ACCOUNTING POLICIES - continued**

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.

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.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

3. **EMPLOYEES AND DIRECTORS**

	31.12.17	31.12.16
	€	€
Wages and salaries	1,390,088	1,342,751
Social security costs	478,819	444,734
Other pension costs	66,450	57,595
	<u>1,935,357</u>	<u>1,845,080</u>

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

	31.12.17	31.12.16
Executive Directors	3	2
Employees	<u>16</u>	<u>14</u>
	<u>19</u>	<u>16</u>

	31.12.17	31.12.16
	€	€
Directors' remuneration	<u>-</u>	<u>-</u>

4. **PROFIT/(LOSS) BEFORE TAXATION**

The profit before taxation (2016 - loss before taxation) is stated after charging:

	31.12.17	31.12.16
	€	€
Depreciation - owned assets	37,260	18,069
Loss on disposal of fixed assets	6,950	-
Staff costs (see note 3)	<u>1,935,357</u>	<u>1,845,080</u>

5. **TAXATION**

Analysis of tax income

	31.12.17	31.12.16
	€	€
Current tax:		
Tax	(67,945)	26,775
Deferred tax	-	(46,225)
Total tax income in income statement	<u>(67,945)</u>	<u>(19,450)</u>

6. INTANGIBLE FIXED ASSETS

	Goodwill €
COST	
At 1 January 2017	
and 31 December 2017	<u>2,650,000</u>
NET BOOK VALUE	
At 31 December 2017	<u>2,650,000</u>
At 31 December 2016	<u>2,650,000</u>

7. TANGIBLE FIXED ASSETS

	Plant and machinery etc €
COST	
At 1 January 2017	224,060
Additions	22,281
Disposals	(17,608)
At 31 December 2017	<u>228,733</u>
DEPRECIATION	
At 1 January 2017	41,040
Charge for year	37,260
At 31 December 2017	<u>78,300</u>
NET BOOK VALUE	
At 31 December 2017	<u>150,433</u>
At 31 December 2016	<u>183,020</u>

8. DEBTORS

	31.12.17 €	31.12.16 €
Amounts falling due within one year:		
Trade debtors	4,198,411	3,013,337
Other debtors	-	11,264
Bad Debt Provision	(103,406)	(30,000)
Tax	64,746	213,116
Prepayments and accrued income	<u>492,855</u>	<u>473,486</u>
	<u>4,652,606</u>	<u>3,681,203</u>

8. DEBTORS - continued

	31.12.17 €	31.12.16 €
Amounts falling due after more than one year:		
Deferred Tax Debtor	<u>489,924</u>	<u>489,924</u>
Aggregate amounts	<u>5,142,530</u>	<u>4,171,127</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17 €	31.12.16 €
Trade creditors	37,556	94,614
Amounts owed to group undertakings	557,404	834,475
Social security and other taxes	664,250	564,366
Other creditors	16,594	-
Accruals and deferred income	<u>2,950,635</u>	<u>2,008,142</u>
	<u>4,226,439</u>	<u>3,501,597</u>

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.17 €	31.12.16 €
100,000	Ordinary Shares	£0.10	<u>11,472</u>	<u>11,472</u>

12. 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.