

REGISTERED NUMBER: 10257756 (England and Wales)

Report of the Director and
Financial Statements for the Year Ended 31 December 2019
for
Brick Live International Limited

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Brick Live International Limited

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for the Year Ended 31 December 2019

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Brick Live International Limited

Company Information
for the Year Ended 31 December 2019

DIRECTOR: D N Ciclitra

SECRETARY: Sole Associates Svr Ltd

REGISTERED OFFICE: 3 Park Court, Pyrford Road
West Byfleet
Surrey
KT14 6SD

REGISTERED NUMBER: 10257756 (England and Wales)

ACCOUNTANTS: Sole Associates SVR Limited
3 Park Court
Pyrford Road
West Byfleet
Surrey
KT14 6SD

Brick Live International Limited

Report of the Director
for the Year Ended 31 December 2019

The director presents his report with the financial statements of the company for the year ended 31 December 2019.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTOR

D N Ciclita held office during the whole of the period from 1 January 2019 to the date of this report.

CHARITY DONATIONS AND EXPENDITURE

Charity donations of £68,288 (2018:19,605) were made to the Prince Albert 11 Foundation.

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:



D N Ciclita - Director

14 September 2020

**Chartered Certified Accountants' Report to the Director
on the Unaudited Financial Statements of
Brick Live International Limited**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Brick Live International Limited for the year ended 31 December 2019 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at <http://www.accaglobal.com/rulebook>.

This report is made solely to the director of Brick Live International Limited in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Brick Live International Limited and state those matters that we have agreed to state to the director of Brick Live International Limited in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at <http://www.accaglobal.com/factsheet163>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its director for our work or for this report.

It is your duty to ensure that Brick Live International Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Brick Live International Limited. You consider that Brick Live International Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Brick Live International Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



Sole Associates SVR Limited
3 Park Court
Pyrford Road
West Byfleet
Surrey
KT14 6SD

14 September 2020

Brick Live International Limited**Statement of Comprehensive Income**
for the Year Ended 31 December 2019

	Notes	2019 £	2018 £
TURNOVER	3	5,380,029	4,231,064
Cost of sales		1,097,625	1,879,420
GROSS PROFIT		4,282,404	2,351,644
Administrative expenses		1,476,324	1,574,577
OPERATING PROFIT		2,806,080	777,067
Cost of fundamental reorg	5	387,620	800,819
PROFIT/(LOSS) BEFORE TAXATION	6	2,418,460	(23,752)
Tax on profit/(loss)	7	352,843	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		2,065,617	(23,752)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2,065,617	(23,752)

The notes form part of these financial statements

Brick Live International Limited (Registered number: 10257756)**Balance Sheet****31 December 2019**

	Notes	2019 £	2018 £
FIXED ASSETS			
Owned			
Intangible assets	8	76,493	50,322
Tangible assets	9	3,092,959	775,473
Right-of-use			
Tangible assets	9, 17	292,182	-
Investments	10	389	389
		<u>3,462,023</u>	<u>826,184</u>
CURRENT ASSETS			
Stocks		1,388,732	527,197
Debtors	12	2,020,206	1,995,254
Cash at bank	13	27,788	62,008
		<u>3,436,726</u>	<u>2,584,459</u>
CREDITORS			
Amounts falling due within one year	14	<u>3,940,757</u>	<u>3,174,223</u>
NET CURRENT LIABILITIES		<u>(504,031)</u>	<u>(589,764)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,957,992</u>	<u>236,420</u>
CREDITORS			
Amounts falling due after more than one year	15	(303,112)	-
PROVISIONS FOR LIABILITIES	18	<u>(403,819)</u>	<u>(50,976)</u>
NET ASSETS		<u><u>2,251,061</u></u>	<u><u>185,444</u></u>
CAPITAL AND RESERVES			
Called up share capital	19	100	100
Retained earnings	20	<u>2,250,961</u>	<u>185,344</u>
SHAREHOLDERS' FUNDS		<u><u>2,251,061</u></u>	<u><u>185,444</u></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 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his 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

Brick Live International Limited (Registered number: 10257756)

Balance Sheet - continued

31 December 2019

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

The financial statements were approved by the director and authorised for issue on 14 September 2020 and were signed by:



D N Ciclitra - Director

The notes form part of these financial statements

Brick Live International Limited**Statement of Changes in Equity**
for the Year Ended 31 December 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2018	-	209,096	209,096
Changes in equity			
Issue of share capital	100	-	100
Total comprehensive income	-	(23,752)	(23,752)
Balance at 31 December 2018	100	185,344	185,444
Changes in equity			
Total comprehensive income	-	2,065,617	2,065,617
Balance at 31 December 2019	100	2,250,961	2,251,061

The notes form part of these financial statements

Brick Live International Limited

Notes to the Financial Statements **for the Year Ended 31 December 2019**

1. STATUTORY INFORMATION

Brick Live International 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.

The presentation currency of the financial statements is the Pound Sterling (£).

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 requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases;
- the requirements of paragraph 58 of IFRS 16;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- 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(c) 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

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial information in accordance with generally accepted accounting practice requires the director to make estimates and judgements that affect the reported amount of assets, liabilities, income and expenditure and the disclosures made in the financial statements. Such estimates and judgements must be continually evaluated based on historical experience and other factors, including expectations of future events.

The significant judgements made by management in applying the company's accounting policies as set out above, and the key sources of estimation which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are:

Deferred taxation - deferred tax assets and liabilities have been recognised in the financial statements. The directors have prepared cash flows and forecasts which indicate that it is probable that future taxable profits will be available against which deferred tax assets can be utilised.

Revenue recognition

Revenue is the value of goods and services provided by the company to customers, net of VAT and discounts. Revenue includes licence fees, revenue from the sale of products, rental fees, sale of content (brick-based statues), brick lease fees and ticket sales from self-promoted events.

Revenue from contracts is recognised in accordance with IFRS 15 as follows:

- (i) Identify the contract with the customer;
- (ii) Identify separate performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to separate performance obligations; and
- (v) Recognise revenue when the entity satisfies a performance obligation.

Revenue recognised as above is measured on the following basis:

- (i) Annual licence fees - on a straight-line basis in accordance with the terms of the agreement, unless it is non-refundable in which case fees are recognised on the contractual invoice date;
- (ii) Event licence fees and revenue shares - on the completion of the event in accordance with the terms of the agreement;
- (iii) Content fees - on delivery of the specific content to the client in accordance with the terms of the agreement;
- (iv) Tour and show rental fees - in accordance with the terms of the agreement;
- (v) Brick lease fees - on a straight-line basis in accordance with the terms of the agreement;
- (vi) Ticket sales from self-promoted events - on the date of the event; and
- (vii) Sales of products - in accordance with contract, some of which include a non-refundable up-front payment to reflect the specific design element of the sale.

Trademarks

Trademarks are registered in each of the geographical territories for the BRICKLIVE brand.

Trademarks are amortised over their estimated useful lives, which is on average 10 years.

Tangible fixed assets

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

All assets are depreciated in order to write off the costs, less anticipated residual values of the assets over their useful economic lives on a straight line basis as follows:

- Computer equipment: 4 years
- Plant and machinery: 4 years

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

2. ACCOUNTING POLICIES - continued

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Taxation

The tax expense for the year represents the total of current taxation and deferred taxation. The charge in respect of current taxation is based on the estimated taxable profit for the year. Taxable profit for the year is based on the profit as shown in the income statement, as adjusted for items of income or expenditure which are not deductible or chargeable for tax purposes. The current tax liability for the year is calculated using tax rates which have either been enacted or substantively enacted at the balance sheet date.

Deferred tax is provided in full, using the liability method on temporary differences arising between the tax base of assets and liabilities and their carrying values in the financial statements. The deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates which have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Leases

Leases are recognised as finance leases. The lease liability is initially recognised at the present value of the lease payments which have not yet been made and subsequently measured under the amortised cost method. The initial cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, lease payments made prior to the lease commencement date, initial direct costs and the estimated costs of removing or dismantling the underlying asset per the conditions of the contract.

Where ownership of the right-of-use asset transfers to the lessee at the end of the lease term, the right-of-use asset is depreciated over the asset's remaining useful life. If ownership of the right-of-use asset does not transfer to the lessee at the end of the lease term, depreciation is charged over the shorter of the useful life of the right-of-use asset and the lease term.

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.

4. EMPLOYEES AND DIRECTORS

	2019	2018
	£	£
Wages and salaries	372,676	301,696
Social security costs	55,244	26,826
Other pension costs	11,258	1,292
	<u>439,178</u>	<u>329,814</u>

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

	2019	2018
Office and administration	<u>17</u>	<u>5</u>

Brick Live International Limited**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019****4. EMPLOYEES AND DIRECTORS - continued**

	2019 £	2018 £
Director's remuneration	-	-

5. EXCEPTIONAL ITEMS

	2019 £	2018 £
Cost of fundamental reorg	(387,620)	(800,819)

6. PROFIT/(LOSS) BEFORE TAXATION

The profit before taxation (2018 - loss before taxation) is stated after charging/(crediting):

	2019 £	2018 £
Cost of inventories recognised as expense	1,097,625	1,879,420
Depreciation - owned assets	209,196	265,693
Depreciation - assets on finance leases	15,378	-
Patents and licences amortisation	6,846	4,774
Foreign exchange differences	34,356	(62,527)

7. TAXATION

Analysis of tax expense

	2019 £	2018 £
Deferred tax	352,843	-
Total tax expense in statement of comprehensive income	352,843	-

Factors affecting the tax expense

The tax assessed for the year is lower (2018 - higher) than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
Profit/(loss) before income tax	2,418,460	(23,752)
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	459,507	(4,513)
Effects of:		
Tax losses carried forward	(8,174)	4,513
Disallowable Costs	15,431	-
Capital Allowances	(242,227)	-
Deferred tax movement	352,843	-
Group losses relief	(224,537)	-
Tax expense	352,843	-

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

8. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
At 1 January 2019	55,096
Additions	33,017
At 31 December 2019	88,113
AMORTISATION	
At 1 January 2019	4,774
Charge for year	6,846
At 31 December 2019	11,620
NET BOOK VALUE	
At 31 December 2019	76,493
At 31 December 2018	50,322

9. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Show Content £	Computer equipment £	Totals £
COST					
At 1 January 2019	-	1,076,166	-	4,312	1,080,478
Additions	307,560	168,409	44,561	104,816	625,346
Disposals	-	(12,031)	(24,400)	-	(36,431)
Transfer to ownership	-	(1,195,457)	4,085,131	54,323	2,943,997
Reclassification/transfer	-	(17,197)	-	17,197	-
At 31 December 2019	307,560	19,890	4,105,292	180,648	4,613,390
DEPRECIATION					
At 1 January 2019	-	303,243	-	1,762	305,005
Charge for year	15,378	93,100	110,656	5,440	224,574
Eliminated on disposal	-	-	(7,562)	-	(7,562)
Transfer to ownership	-	(385,028)	988,888	102,372	706,232
At 31 December 2019	15,378	11,315	1,091,982	109,574	1,228,249
NET BOOK VALUE					
At 31 December 2019	292,182	8,575	3,013,310	71,074	3,385,141
At 31 December 2018	-	772,923	-	2,550	775,473

Brick Live International Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

10. INVESTMENTS

	Listed investments £
COST	
At 1 January 2019	
and 31 December 2019	389
NET BOOK VALUE	
At 31 December 2019	389
At 31 December 2018	389

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Associated companies

Brick Live Far East Limited

Registered office: Hong Kong

Nature of business: Promotion of entertainment events

	% holding	2019 £	2018 £
Class of shares:			
Ordinary	38.90		
Aggregate capital and reserves		(41,045)	(131,898)
Profit/(loss) for the year		90,853	(31,677)

Brick Live Centre Education (Beijing) Development Limited

Registered office: China

Nature of business: Promotion of entertainment events

	% holding	2019 £	2018 £
Class of shares:			
Ordinary	19.10		
Aggregate capital and reserves		340,453	137,057
Profit/(loss) for the year		206,790	(6,863)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019****11. FINANCIAL ASSETS AND LIABILITIES****Financial assets**

The company classifies its financial assets as either at fair value through profit and loss, or financial assets at fair value through Other Comprehensive Income. The company does not hold any held to maturity financial assets, or financial assets classified as loans and receivables.

The classification is dependent on the purpose for which the financial assets are acquired and is determined by the directors on initial recognition.

Financial assets at fair value through profit or loss are financial assets which are held for trading. A financial asset is classified as at fair value through profit or loss if it is acquired principally for the purpose of selling in the short term. Derivatives are also classified as held for trading unless they are designated as effective hedges. Such assets are classified as current assets. Financial assets at fair value through profit or loss are shown at fair value at each reporting date with changes in fair value shown in the income statement.

Financial assets at fair value through Other Comprehensive Income consist of equity investments in other companies where the company does not exercise either control or significant influence. These financial assets are shown at fair value at each reporting date with changes in fair value being shown in the statement of comprehensive income.

Where financial assets are quoted the fair value at each reporting date is based on the quoted bid price at that date. Where financial assets at fair value through Other Comprehensive Income consist of an equity investment in an unquoted company where a reliable fair value cannot be determined, such investments are shown at cost less impairment.

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	455,589	259,520
Amounts owed by group undertakings	1,455,058	1,659,340
Other debtors	54,315	37,894
Prepayments and accrued income	55,244	38,500
	<u>2,020,206</u>	<u>1,995,254</u>

13. CASH AT BANK

Cash and cash equivalents comprise cash at bank and in hand and other short term highly liquid deposits with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Bank loans and overdrafts (see note 16)	122	99
Trade creditors	195,080	325,906
Amounts owed to group undertakings	2,447,205	2,495,882
Other creditors	649,291	(37,077)
Accruals and deferred income	649,059	389,413
	<u>3,940,757</u>	<u>3,174,223</u>

Brick Live International Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Leases (see note 16)	303,112	-

16. FINANCIAL LIABILITIES - BORROWINGS

	2019 £	2018 £
Current:		
Bank overdrafts	122	99
Non-current:		
Leases (see note 17)	303,112	-

Terms and debt repayment schedule

	1 year or less £	2-5 years £	Totals £
Bank overdrafts	122	-	122
Leases	-	303,112	303,112
	122	303,112	303,234

17. LEASING

Right-of-use assets

Tangible fixed assets

	2019 £	2018 £
COST		
Additions	307,560	-
DEPRECIATION		
Charge for year	(15,378)	-
NET BOOK VALUE	292,182	-

Brick Live International Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

17. LEASING - continued

Lease liabilities

Minimum lease payments fall due as follows:

	2019 £	2018 £
Gross obligations repayable: Between one and five years	303,112	-
	<u>303,112</u>	<u>-</u>
Finance charges repayable:	<u> </u>	<u> </u>
Net obligations repayable: Between one and five years	<u>303,112</u>	<u>-</u>

18. PROVISIONS FOR LIABILITIES

	2019 £	2018 £
Deferred tax	<u>403,819</u>	<u>50,976</u>
		Deferred tax £
Balance at 1 January 2019		50,976
Provided during year		<u>352,843</u>
Balance at 31 December 2019		<u>403,819</u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2019	2018
Number:	Class:	Nominal value:	£	£
100	Ordinary Share	100	<u>100</u>	<u>100</u>

Brick Live International Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

20. RESERVES

	Retained earnings £
At 1 January 2019	185,344
Profit for the year	2,065,617
	<hr/>
At 31 December 2019	2,250,961
	<hr/>

21. PENSION COMMITMENTS

The company operates a defined contribution pension scheme under which fixed contributions are payable. Pension costs charged to the income statement represent amounts payable to the scheme during the year.

22. EVENTS AFTER THE REPORTING PERIOD

There were no post balance sheet events.

23. ULTIMATE CONTROLLING PARTY

The company is a wholly owned subsidiary of Live Company Group plc, a company registered in England and Wales.