

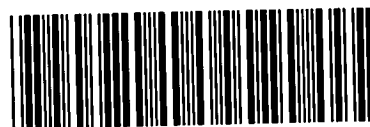
Matchroom Boxing Limited

Annual report and financial statements

Registered number 10451332

Year ended 30 June 2018

FRIDAY



L7WWU45D

LD5

11/01/2019

#9

COMPANIES HOUSE

Contents

Strategic report	1
Directors' report	2
Statement of directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements	3
Independent auditor's report to the members of Matchroom Boxing Limited	4
Profit and loss account	6
Balance sheet	7
Statement of changes in equity	8
Notes	9

Strategic report

The directors present their report and financial statements for the year ended 30 June 2018. The comparative period is from 28 October 2016 (date of incorporation) to 30 June 2017.

Incorporation

The company was incorporated on 28 October 2016.

Principal activities

The principal activity of the company is that of professional boxing promotion and marketing.

Business review and results

The company's results for the first year of trading are shown the profit and loss account on page 6. Turnover was £68,917,890 with profit after tax of £4,297,233. In the previous year, business activity for the boxing sector was undertaken by its parent company, Matchroom Sport Limited.

Principal risks and uncertainties

The directors monitor the risk associated with the effects of the current economic climate and are confident that the company will manage to maintain its profitability going forward.

The directors monitor the financial risks to the group on an ongoing basis. During the year, the credit, interest rate and foreign exchange rate risks were minimal. Hence, the directors did not feel that it was appropriate to mitigate these risks by purchasing any financial instruments.

Future developments

The directors consider that the company is well placed to taken advantage of future opportunities as they arise.

By order of the board



SJ Dawson
Director

Date: 7.1.19

"Mascalls"
Mascalls Lane
Brentwood
Essex
CM14 5LJ

Directors' report

Results and dividends

The results for the year are shown in the profit and loss account on page 6. The directors do not recommend the payment of a dividend (*period ended 30 June 2017: £nil*).

Directors

The directors who held office during the year and subsequent to the year end were as follows:

B M W Hearn
S J Dawson
E J Hearn
F J Smith (appointed 1 January 2019)

Political and charitable contributions

The company made charitable contributions during the year of £33,382 (*period ended 30 June 2017: £nil*) and no political contributions (*period ended 30 June 2017: £nil*).

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

KPMG LLP were appointed as auditor during the year. 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.

By order of the board



SJ Dawson
Director

Date: 7.1.19

"Mascalls"
Mascalls Lane
Brentwood
Essex
CM14 5LJ

Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements

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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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

Bontanic House
100 Hills Road
Cambridge
CB2 1AR
United Kingdom

Independent auditor's report to the members of Matchroom Boxing Limited

Opinion

We have audited the financial statements of Matchroom Boxing Limited ("the company") for the year ended 30 June 2018 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of Matchroom Boxing Limited *(continued)*

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

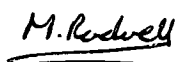
Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Matthew Radwell (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Botanic House
100 Hills Road,
Cambridge.
CB2 1AR.

Date: 8/1/2019

Profit and loss account
for the year ended 30 June 2018

	<i>Note</i>	Year ended 30 June 2018 £	Period ended 30 June 2017 £
Turnover	2	68,917,890	-
Cost of sales		(62,348,955)	-
		<hr/>	<hr/>
Gross profit		6,568,935	-
Administrative expenses		(1,262,311)	-
		<hr/>	<hr/>
Operating profit		5,306,624	-
		<hr/>	<hr/>
Profit before taxation	3	5,306,624	-
Tax on profit	6	(1,009,391)	-
		<hr/>	<hr/>
Profit for the financial year		4,297,233	-
		<hr/>	<hr/>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains or losses other than those included in the profit and loss account.

There is no material difference between the company's results as reported on a historical cost basis. Accordingly, no note of historical cost profits has been prepared.

The notes on pages 9 to 15 form an integral part of these financial statements.

Balance sheet
at 30 June 2018

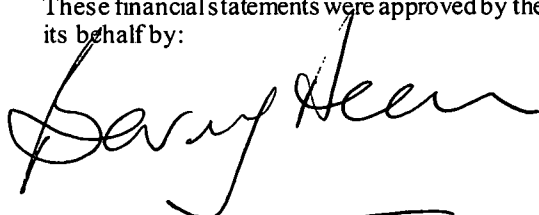
	<i>Note</i>	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	7		2,046	-	-
Investments	8		1	-	-
			<u>2,047</u>		<u>-</u>
Current assets					
Debtors	9	26,656,483	-	-	-
Cash at bank and in hand		18,958,097	1	1	1
		<u>45,614,580</u>		<u>1</u>	
Creditors: amounts falling due within one year	10	(41,319,393)	-	-	-
		<u></u>		<u></u>	
Net current assets			4,295,187		1
			<u></u>		<u></u>
Net assets			4,297,234		1
			<u></u>		<u></u>
Capital and reserves					
Called up share capital	11		1		1
Profit and loss account			4,297,233		-
			<u></u>		<u></u>
Shareholders' funds			4,297,234		1
			<u></u>		<u></u>

The notes on pages 9 to 15 form an integral part of these financial statements.

These financial statements were approved by the board of directors on its behalf by:

7.1.19

and were signed on



B MW Hearn
Director

Statement of changes in equity
for the year ended 30 June 2018

	Called up share capital £	Profit and loss account £	Total equity £
At 28 October 2016	-	-	-
Share capital issued	1	-	1
Total comprehensive profit			
Result for the period	-	-	-
	<hr/>	<hr/>	<hr/>
At 30 June 2017 and 1 July 2017	1	-	1
	<hr/>	<hr/>	<hr/>
Total comprehensive income			
Profit for the year	-	4,297,233	4,297,233
	<hr/>	<hr/>	<hr/>
At 30 June 2018	1	4,297,233	4,297,234
	<hr/>	<hr/>	<hr/>

The notes on pages 9 to 15 form an integral part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Matchroom Boxing Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with 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.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The Company's ultimate parent undertaking, Matchroom Sport Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Matchroom Sport Limited are available to the public and may be obtained from Mascalls, Mascalls Lane, Brentwood, Essex, CM14 5LJ. 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:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key management personnel compensation.

As the consolidated financial statements of Matchroom Sport Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The directors have considered the factors that impact the company's future development, performance, cash flows and financial position along with the company's current liquidity in forming their opinion on the going concern basis.

The company is expected to continue to generate positive cash flows for the foreseeable future. On the basis of the directors' assessment of the financial position, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Foreign currency

Transactions in foreign currencies are translated to the company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss account.

1.4 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.

Notes (continued)

1 Accounting policies (continued)

Investments in ordinary shares

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Subsequent to initial recognition investments are held at cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances.

1.5 Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to third party customers during the year. The goods and services provided are derived from the principal activities of the company. Event income is recognised at the date on which the event occurred.

1.6 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2 Analysis of turnover

The turnover and profit before tax are attributable to the principal activities of the company, being professional boxing promotion and marketing. An analysis of turnover is given below:

	Year ended 30 June 2018 £	Period ended 30 June 2017 £
UK	50,866,946	-
Europe	5,253,453	-
Rest of world	12,797,491	-
	<hr/>	<hr/>
	68,917,890	-
	<hr/>	<hr/>

Notes (continued)

3 Profit on ordinary activities before taxation

	Year ended 30 June 2018 £	Period ended 30 June 2017 £
<i>Profit on ordinary activities before taxation is stated after charging/(crediting):</i>		
Depreciation	512	-
Auditor's remuneration		
- Audit of these financial statements	7,500	-
	<u>7,500</u>	<u>-</u>

In 2018, tax compliance services costs of £4,200 have been borne by the parent company, Matchroom Sport Limited.

4 Directors remuneration

	Year ended 30 June 2018 £	Period ended 30 June 2017 £
Directors' emoluments	750,000	-
	<u>750,000</u>	<u>-</u>

The number of directors who received emoluments during the year was one (*period ended 30 June 2017: none*).

Certain directors who served during the year are also directors of the ultimate parent company or a fellow subsidiary company, and are remunerated by those companies. Although they do receive remuneration from those companies in respect of their services to various group companies, their involvement in the day to day running of this company is minimal. Therefore, if the proportion of their remuneration were to be disclosed in these financial statements it would be £nil (*period ended 30 June 2017: £nil*).

5 Staff numbers and costs

The average number of persons employed by the company (excluding directors) during the year were as follows:

	Number of employees
	Year ended 30 June 2018
Administration	8
	<u>8</u>

The aggregate payroll costs of these persons were as follows:

	Year ended 30 June 2018 £	Period ended 30 June 2017 £
Wages and salaries	1,133,644	-
Social security costs	140,199	-
	<u>1,273,843</u>	<u>-</u>

Notes (continued)

6 Taxation

	Year ended 30 June 2018 £	Year ended 30 June 2018 £	Period ended 30 June 2017 £	Period ended 30 June 2017 £
<i>Current tax:</i>				
Current tax on income for the period	1,009,391		-	
	<u> </u>		<u> </u>	
Total current tax		1,009,391		-
		<u> </u>		<u> </u>
Total tax (see below)		1,009,391		-
		<u> </u>		<u> </u>

Reconciliation of effective tax rate

	Year ended 30 June 2018 £	Period ended 30 June 2017 £
Profit for the year	4,297,233	-
Total tax expense	1,009,391	-
	<u> </u>	<u> </u>
Profit excluding taxation	5,306,624	-
Tax using the UK corporation tax rate of 19% (<i>period ended 30 June 2017: 19.75%</i>)	1,008,259	-
Non-deductible expenses	1,122	-
Other permanent differences	10	-
	<u> </u>	<u> </u>
Total tax expense included in profit or loss (see above)	1,009,391	-
	<u> </u>	<u> </u>

Reductions in the UK corporation tax rate from 20% (effective from 1 April 2015) to 19% (effective from 1 April 2018) was substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2017. This will reduce the company's future current tax charge accordingly.

Notes (continued)

7 Tangible fixed assets

	Fixtures, fittings and equipment £	Total £
Cost		
At beginning of year	-	-
Additions	2,558	2,558
	<hr/>	<hr/>
At end of year	2,558	2,558
	<hr/>	<hr/>
Depreciation		
At beginning of year	-	-
Charge for the year	512	512
	<hr/>	<hr/>
At end of year	512	512
	<hr/>	<hr/>
Net book value		
At 30 June 2018	2,046	2,046
	<hr/>	<hr/>
At 30 June 2017	-	-
	<hr/>	<hr/>

8 Fixed asset investments

Company

	Shares in group undertakings £	Total £
Cost		
At beginning of year	-	-
Additions	1	1
	<hr/>	<hr/>
At end of year	1	1
	<hr/>	<hr/>
Net book value		
At 30 June 2018	1	1
	<hr/>	<hr/>
At 30 June 2017	-	-
	<hr/>	<hr/>

The undertakings in which the Company's interest at the year end is more than 20% are as follows:

	Country of incorporation	Principal activity	Class of shares held	Percentage of shares held
Shares in group undertakings				
Matchroom Boxing USA Limited	England	Promotion	Ordinary £1 shares	100%

The address of Matchroom Boxing USA Limited is the same as that of Matchroom Boxing Limited, being "Mascalls", Mascalls Lane, Brentwood, Essex, CM14 5LJ.

Notes *(continued)*

9 Debtors

	2018 £	2017 £
Trade debtors	15,064,960	-
Amounts owed by group undertakings	54,095	-
Other debtors	120,139	-
Prepayments and accrued income	11,417,289	-
	<hr/>	<hr/>
	26,656,483	-
	<hr/>	<hr/>

10 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	544,302	-
Other creditors	745,276	-
Other taxes and social security	4,634,037	-
Corporation tax	1,009,391	-
Accruals and deferred income	28,582,024	-
Amounts owed to group undertakings	5,804,363	-
	<hr/>	<hr/>
	41,319,393	-
	<hr/>	<hr/>

Notes (continued)

11 Called up share capital

	2018 £	2017 £
<i>Allotted, called up and fully paid</i>		
1 ordinary share of £1 each (2017: 1 ordinary share)	1	1
	<u>1</u>	<u>1</u>

12 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Matchroom Sport Limited, which is the ultimate parent company. The ultimate controlling party is BMW Hearn, by virtue of his 60% ownership of Matchroom Sport Limited.

The largest group in which the results of the Company and its group are consolidated is that headed by Matchroom Sport Limited, incorporated in the United Kingdom. The consolidated financial statements of this group are available to the public from from Mascalls, Mascalls Lane, Brentwood, Essex, CM14 5LJ. The smallest group in which they are consolidated is that headed by Matchroom Sport Limited. The consolidated financial statements of this group are available to the public from from Mascalls, Mascalls Lane, Brentwood, Essex, CM14 5LJ.