

ABC3 LIMITED

Report and financial statements

31 December 2017

Registered No. SC296144 (Scotland)



ABC3 Limited

COMPANY INFORMATION

DIRECTORS

S R Douglas
P R Latham
J M Hands

SECRETARY

S Emeny

AUDITOR

Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

REGISTERED OFFICE

Whitehall House
33 Ycaman Shore
Dundee
DD1 4BJ

ABC3 Limited

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2017.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

PRINCIPAL ACTIVITY

The principal activity of the company is that of a holding company.

RESULTS AND DIVIDENDS

The profit for the financial year ended 31 December 2017 was £183,750 (2016 - profit of £262,500). A dividend of £183,750 (2016 - £262,500) was paid during the year.

POST BALANCE SHEET EVENTS

In March 2018, the group underwent a refinancing of its bank loans. The old facility which was due to expire in November 2020 was replaced by a new 5 year £32,500,000 facility comprising of a £25,000,000 loan facility instrument repayable in quarterly instalments with a final £5,000,000 instalment in March 2023 and a £7,500,000 revolver credit facility. This entity is listed as a guarantor per the facilities agreement. The facilities are reflected in the financial statements of Electricland Limited and the consolidated financial statements of Academy Music Holdings Limited.

DIRECTORS

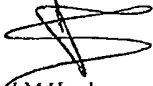
The directors who served during the year ended 31 December 2017 were as follows:

S R Douglas
P R Latham
J M Hands

AUDITOR

In accordance with section 485 of the Companies Act 2006, an ordinary resolution is to be proposed for reappointment of Grant Thornton UK LLP as auditors of the company.

On behalf of the Board



J M Hands
Director

Date 12 April 2018

ABC3 Limited

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing 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 the directors have elected to prepare the financial statements in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. 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 and profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each of the directors is aware:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ABC3 Limited

Independent auditor's report to the members of ABC3 Limited

Opinion

We have audited the financial statements of ABC3 Limited (the 'company') for the year ended 31 December 2017 which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ABC3 Limited

Independent auditor's report to the members of ABC3 Limited continued Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report.

Responsibilities of directors for the financial statements

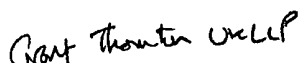
As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Steven Leith (Senior Statutory Auditor)
for and on behalf of Grant Thornton UK LLP, Statutory Auditor, Chartered Accountants
London

Date: 12 April 2018

ABC3 Limited

INCOME STATEMENT AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
Income from fixed asset investments	5	183,750	262,500
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		183,750	262,500
Tax on profit on ordinary activities	6	-	-
PROFIT FOR THE FINANCIAL YEAR		183,750	262,500
Retained profits at 1 January		-	-
Dividends paid	7	(183,750)	(262,500)
RETAINED PROFIT AT 31 DECEMBER		-	-

All the company's operations are continuing.

There are no other items of comprehensive income other than as stated in the income statement.

The accompanying accounting policies and notes form part of the financial statements.

ABC3 Limited

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Notes	2017 £	2016 £
FIXED ASSETS			
Investments	8	1	1
CURRENT ASSETS			
Debtors	9	99	99
NET CURRENT ASSETS		99	99
NET ASSETS		100	100
CAPITAL AND RESERVES			
Called up share capital	10	100	100
Profit and loss account		-	-
EQUITY SHAREHOLDER'S FUNDS		100	100

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

Signed on behalf of the Board of Directors:



J M Hands
Director

Date 12 April 2018

Registered No.SC296144

The accompanying accounting policies and notes form part of the financial statements.

ABC3 Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

1 COMPANY INFORMATION

ABC3 Limited is a private company limited by shares incorporated in the England and Wales. The registered office is Whitehall House, 33 Yeaman Shore, Dundee, DD1 4BJ.

2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Sterling (£).

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' Report on page 2.

The company has net assets and is profit making. The company's forecasts project that it will continue to trade profitably.

Based on the above the directors have a reasonable expectation that the company has adequate resources 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.

Accounting judgements and key sources of estimation uncertainty

No judgments and estimates were made by management that will have a material impact on the financial

Group financial statements

The company is exempt from preparing Group financial statements under Section 400 of the Companies Act 2006 as it is a wholly owned subsidiary undertaking. Accordingly, these financial statements present information about the company and not its Group.

Disclosure exemptions within FRS 102:

The company has adopted the disclosure exemption within FRS 102 in relation to the requirement to present a statement of cash flows and related notes.

3 PRINCIPAL ACCOUNTING POLICIES

Revenue recognition

Income from fixed asset investments

Revenue is recognised when the company's right to receive payment is established.

Investments

Investments are recognised initially at fair value which is normally the transaction price. Subsequently, they are recognised at cost less impairment unless a reliable measure of fair value becomes available.

ABC3 Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

3 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Taxation

Taxation expense for the year comprises current and deferred tax recognised in the year. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred tax assets and liabilities are not discounted.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using rates and laws that have been enacted by or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

4 DIRECTORS AND EMPLOYEES

Directors' emoluments have been borne by various other companies within the group. The directors are also directors or officers of a number of companies within the Live Nation Entertainment Inc. Group. The directors' services to the company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the group for the years ended 31 December 2017 and 31 December 2016. The company had no employees for the years ended 31 December 2017 and 31 December 2016.

5 INCOME FROM FIXED ASSET INVESTMENTS

	2017	2016
	£	£
Income from group entities	183,750	262,500

ABC3 Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

6 PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

(a) Analysis of tax charge in the year

	2017 £	2016 £
Current tax:		
UK Corporation tax on profit for the year	-	-
Total tax charge for the year (note 6 (b))	-	-

(b) Factors affecting the total tax charge for the year

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax of 19.25% (2016 - 20%) to the profit before tax is as follows:

	2017 £	2016 £
Profit on ordinary activities before taxation	183,750	262,500
Profit on ordinary activities multiplied by the standard rate of Corporation tax in the UK of 19.25% (2016 - 20%)	35,366	52,500
Effects of:		
Income not taxable and corresponding adjustments	(35,366)	(52,500)
Total tax charge for the year (note 6 (a))	-	-

(c) Tax rate changes

The tax rate for the current year is lower than the prior year due to changes in the UK Corporation tax rate which decreased from 20% to 19% from 1 April 2017.

A further reduction to the UK Corporation tax rate was enacted as part of the Finance Act 2016. As such the main rate will fall from 19% to 17% from 1 April 2020.

ABC3 Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

7 DIVIDENDS

	2017	2016
	£	£
Paid during the year	183,750	262,500
Declared post year end	-	-

8 FIXED ASSET INVESTMENTS

	Investments in subsidiaries
	£
Cost: As at 1 January 2017 and 31 December 2017	1
Netbook value at 1 January 2017 and 31 December 2017	1

At 31 December 2017 the company held 52.5% of Tecjet Limited, a music venue operator incorporated in the United Kingdom.

9 DEBTORS

	2017	2016
	£	£
Amounts due from group undertakings	99	99

All amounts due from group undertakings are unsecured and non interest bearing.

10 SHARE CAPITAL

	2017	2016
	Number	Number
<i>Allotted and called up</i> Equity ordinary shares of £1 each	100	100

11 RESERVES

Called up share capital - represents the nominal value of shares that have been issued.

Profit and loss account - includes all current and prior periods retained profits and losses.

12 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under FRS 102 not to disclose transactions with group undertakings as a subsidiary which is 100% owned by its immediate parent undertaking.

13 CONTINGENCIES AND CAPITAL COMMITMENTS

The company had no capital commitments and contingent liabilities at 31 December 2017 and 31 December 2016.

ABC3 Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

14 IMMEDIATE AND ULTIMATE PARENT UNDERTAKINGS

The company's immediate parent company is Academy Music Group Limited, a company incorporated in England and Wales.

The ultimate parent undertaking and ultimate controlling party of this company is Live Nation Entertainment Inc., incorporated in the state of Delaware, United States of America.

The largest group of undertakings for which group accounts have been drawn up is that headed by Live Nation Entertainment Inc. Copies of the consolidated financial statements for Live Nation Entertainment, Inc. are available from 9348 Civic Centre Drive, Beverly Hills, California, 90210, United States of America.

The smallest group of undertakings for which group accounts have been drawn up is that headed by Academy Music Holdings Limited, incorporated in England and Wales. Copies of the consolidated financial statements for Academy Music Holdings Limited are available from 2nd Floor, Regent Arcade House, 19-25 Argyll Street, London, W1F 7TS.