

COMPANY REGISTRATION NUMBER 01154197

**TRINFOLD MANAGEMENT LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL**  
**STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

WEDNESDAY



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31/03/2010  
COMPANIES HOUSE

# **TRINFOLD MANAGEMENT LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2009**

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# **TRINFOLD MANAGEMENT LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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### **THE BOARD OF DIRECTORS**

WG Curbishley  
RN Rosenberg  
RM Constant  
BJ Muir

### **COMPANY SECRETARY**

A Abioye

### **REGISTERED OFFICE**

1 Sussex Place  
London  
W6 9EA

### **AUDITORS**

Grant Thornton UK LLP  
Statutory Auditor  
Grant Thornton House  
Melton Street  
Euston Square  
London  
NW1 2EP

# **TRINFOLD MANAGEMENT LIMITED**

## **DIRECTORS' REPORT**

**YEAR ENDED 31 DECEMBER 2009**

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**COMPANY REGISTRATION NUMBER 01154197**

The directors present their report and the financial statements of the company for the year ended 31 December 2009

### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the period was involvement in the music and entertainment business

### **RESULTS AND DIVIDENDS**

The directors believe that future prospects are encouraging and should lead to on-going profitable trading. The directors do not recommend payment of a dividend.

### **DIRECTORS**

The directors who served the company during the year and subsequently were as follows

WG Curbishley  
RN Rosenberg  
RM Constant  
BJ Muir

### **DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the directors' report and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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,
- 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 proper accounting records that 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 at the date of approving this report are aware

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

# TRINFOLD MANAGEMENT LIMITED

## DIRECTORS' REPORT *(continued)*

### YEAR ENDED 31 DECEMBER 2009

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#### DONATIONS

During the year the company made the following contributions

	Year to 31 December 2009 £	Period from 1 October 2007 to 31 December 2008 £
Charitable	<u>1,795</u>	<u>18,127</u>

#### AUDITOR

The auditors, KPMG Audit Plc, resigned from office in the year and Grant Thornton UK LLP were appointed in their place. Grant Thornton UK LLP are deemed to be reappointed in accordance with Section 489 of the Companies Act 2006 by virtue of an elective resolution passed by the members.

By order of the board



A Abioye  
Company Secretary

30 March 2010

# **TRINFOLD MANAGEMENT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRINFOLD MANAGEMENT LIMITED**

**YEAR ENDED 31 DECEMBER 2009**

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**COMPANY REGISTRATION NUMBER 01154197**

We have audited the financial statements of Trinifold Management Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 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.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit 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.

### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where 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

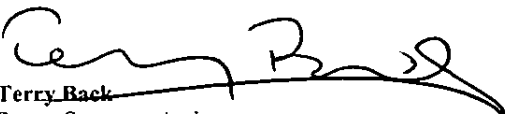
# TRINFOLD MANAGEMENT LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRINFOLD MANAGEMENT LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2009

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- 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



**Terry Back**  
Senior Statutory Auditor  
For and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London

30 March 2010

**TRINFOLD MANAGEMENT LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

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	<b>Note</b>	<b>Year to 31 December 09 £</b>	<b>Period from 1 October 07 to 31 December 08 £</b>
<b>TURNOVER</b>	<b>2</b>	1,934,778	4,176,041
Cost of sales		(135,768)	(497,233)
<b>GROSS PROFIT</b>		1,799,010	3,678,808
Administrative expenses		(1,662,173)	(1,927,206)
<b>OPERATING PROFIT</b>	<b>3</b>	136,837	1,751,602
Interest receivable and similar income	<b>6</b>	–	4,535
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		136,837	1,756,137
Tax on profit on ordinary activities	<b>7</b>	(40,198)	(491,728)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		96,639	1,264,409

All of the activities of the company are classed as continuing operations

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 8 to 14 form part of these financial statements

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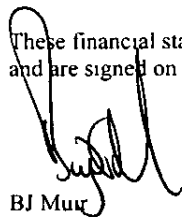
# TRINFOLD MANAGEMENT LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2009

	Note	2009 £	£	2008 £	£
<b>FIXED ASSETS</b>					
Tangible assets	8		36,116		40,909
<b>CURRENT ASSETS</b>					
Debtors	9	9,069,093		11,474,942	
Cash at bank	11	60,487		35,278	
		<u>9,129,580</u>		<u>11,510,220</u>	
<b>CREDITORS: Amounts falling due within one year</b>	12	<u>291,783</u>		<u>2,773,855</u>	
<b>NET CURRENT ASSETS</b>			<u>8,837,797</u>		<u>8,736,365</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>8,873,913</u>		<u>8,777,274</u>
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	14		100		100
Profit and loss account	15		<u>8,873,813</u>		<u>8,777,174</u>
<b>EQUITY SHAREHOLDERS' FUNDS</b>	15		<u>8,873,913</u>		<u>8,777,274</u>

These financial statements were approved by the board of directors and authorised for issue on and are signed on their behalf by



BJ Muir

30 March 2010

The notes on pages 8 to 14 form part of these financial statements

# TRINFOLD MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2009

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#### 1 ACCOUNTING POLICIES

##### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

The company is exempt by virtue of s 400 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

As the company is a wholly owned subsidiary of Vivendi SA, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

##### **Cash flow statement**

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that the ultimate parent undertaking includes the company in its own published consolidated financial statements.

##### **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenues can be reliably measured.

##### **Management commission**

Management commission income is recognised when a right to consideration has been established, the commissions can be reliably quantified and receipt of such commissions is considered certain. In normal circumstances, this results in revenue being recognised in the period in which the managed artist realises income from their contractual arrangements with third parties, thus triggering the manager's right to commission.

##### **Commission on recording, publishing, merchandising and similar artist income**

Where an artist has contracted with a third party to receive stage payments of advances, commission income is recognised when the artist receives, or becomes contractually due to receive these payments, for example, where a managed artist has a contract with a record company.

##### **Commission on tour income**

Commission is recognised on concerts played in the period. Where a tour straddles the end of the period, commission income is recognised only in respect of those concerts played before the period end. Where final accountings for concerts played in the period are not available, the amount of commissionable income to be recognised is assessed based on the contractual terms and the best information available as to concert attendances and takings. In the absence of better information, this estimate is based on the minimum level of income guaranteed to the managed artist by the promoter.

##### **Fixed assets**

All fixed assets are initially recorded at cost.

##### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Property	-	over the lease term
Motor Vehicles	-	25% reducing balance
Office Equipment	-	25% reducing balance

# TRINFOLD MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

### 1 ACCOUNTING POLICIES *(continued)*

#### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on a straight line basis over the period of the lease

#### Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of the timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future or a right to pay less tax in future have occurred

Timing differences are differences between the company's taxable profit and loss and its results as stated in the financial statements. No deferred tax is recognised on permanent differences

Deferred tax is measured at the average tax rates that are expected to apply in the period in which the timing differences are expected to reverse, based on tax rates and law that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis. Deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

#### Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are recorded in the profit and loss account

### 2 TURNOVER

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

### 3 OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	Year to 31 December 09 £	Period from 1 October 07 to 31 December 08 £
Depreciation of owned fixed assets	6,624	10,351
Operating lease costs		
Land and buildings	80,113	152,069
Net profit on foreign currency translation	–	(4,593)
Auditor's remuneration	10,800	17,400
	2009 £	2008 £
Auditor's remuneration - audit of the financial statements	10,800	17,400

**TRINFOLD MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2009**

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**4 PARTICULARS OF EMPLOYEES**

The aggregate payroll costs of the above were

	Year to 31 December 09 £	Period from 1 October 07 to 31 December 08 £
Wages and salaries	905,051	1,115,149
Social security costs	432,679	188,665
Other pension costs	1,296	-
	<u>1,339,026</u>	<u>1,303,814</u>

**5 DIRECTORS' EMOLUMENTS**

The directors' aggregate emoluments in respect of qualifying services were

	Year to 31 December 09 £	Period from 1 October 07 to 31 December 08 £
Aggregate emoluments	<u>3,005,176</u>	<u>787,043</u>

Emoluments of highest paid director.

	Year to 31 December 09 £	Period from 1 October 07 to 31 December 08 £
Total emoluments (excluding pension contributions)	<u>1,882,438</u>	<u>459,108</u>

The emoluments of two directors (2008 - two) were paid and borne by other fellow group undertakings and they received no remuneration in respect of their services to the company

Four directors, one of whom was the highest paid director were not members of any retirement benefit schemes

Two of the directors received share options under the group's long term incentive grant scheme (2008 - nil) The amounts receivable to the directors under long term incentive schemes were £nil (2008 - £nil)

**6 INTEREST RECEIVABLE AND SIMILAR INCOME**

	Year to 31 December 09 £	Period from 1 October 07 to 31 December 08 £
Bank interest receivable	<u>-</u>	<u>4,535</u>

**TRINFOLD MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2009**

**7 TAX ON PROFIT ON ORDINARY ACTIVITIES**

**(a) Analysis of (credit) / charge in the year**

	Year to 31 December 09 £	£	Period from 1 October 07 to 31 December 08 £	£
Current tax				
UK Corporation tax on profit/loss for the year		-		-
Over/under provision in prior year		93		-
Group relief payable for losses surrendered from other group undertakings		37,752		501,623
Total current tax		37,845		501,623
Deferred tax				
Origination and reversal of timing differences (note 10)				
Capital allowances	2,353		(11,545)	
Other	-		1,650	
Total deferred tax (note 10)		2,353		(9,895)
Tax on profit on ordinary activities		40,198		491,728

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28% (2008 - 28%)

	Year to 31 December 09 £	Period from 1 October 07 to 31 December 08 £
Profit on ordinary activities before taxation	136,837	1,756,137
Profit on ordinary activities at the standard rate of UK Corporation tax of 28% (2008 - 28%)	38,314	491,718
Expenses not deductible for tax purposes	1,791	3,143
Adjustments to tax charge in respect of previous periods	93	-
Movement in timing differences	(2,353)	(7,149)
Impact of tax losses utilised in the period	-	(1,270)
Impact of change in tax rate	-	15,181
Current tax charge for the financial year	37,845	501,623

**(c) Factors that may affect future tax charges**

The company has total unutilised tax losses carried forward estimated at £13,440 (2008 - £13,440) which may reduce future tax charges

**TRINFOLD MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2009**

**8 TANGIBLE FIXED ASSETS**

	Leasehold Property £	Motor Vehicles £	Office Equipment £	Total £
<b>COST</b>				
At 1 January 2009	43,508	32,312	423,291	499,111
Additions	–	–	1,831	1,831
<b>At 31 December 2009</b>	<b>43,508</b>	<b>32,312</b>	<b>425,122</b>	<b>500,942</b>
<b>DEPRECIATION</b>				
At 1 January 2009	43,508	27,433	387,261	458,202
Charge for the year	–	1,220	5,404	6,624
<b>At 31 December 2009</b>	<b>43,508</b>	<b>28,653</b>	<b>392,665</b>	<b>464,826</b>
<b>NET BOOK VALUE</b>				
At 31 December 2009	–	3,659	32,457	36,116
At 31 December 2008	–	4,879	36,030	40,909

**9 DEBTORS**

	2009 £	2008 £
Trade debtors	106,613	464,579
Amounts owed by group undertakings	4,770,138	6,153,429
Other debtors	3,460,083	4,370,282
Directors current accounts	–	15,416
Prepayments and accrued income	723,067	459,691
Deferred taxation (note 10)	9,192	11,545
	<b>9,069,093</b>	<b>11,474,942</b>

All amounts owed by group undertakings are unsecured and repayable on demand. Interest accrues on these amounts excluding group relief at rates between 1 month LIBOR and 1 month LIBOR plus 1%.

Included in other debtors is £3,458,986 (2008 - £3,567,318) relating to a bonus paid to directors that is recoupable by the company from the profit share entitlement of those directors.

**TRINFOLD MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2009**

**10 DEFERRED TAXATION**

The deferred tax included in the Balance sheet is as follows

	Year to 31 December 09 £	Period from 1 October 07 to 31 December 08 £
Included in debtors (note 9)	9,192	11,545

The movement in the deferred taxation account during the year was

	Year to 31 December 09 £	Period from 1 October 07 to 31 December 08 £
Balance brought forward	11,545	1,650
Profit and loss account movement arising during the year	(2,353)	9,895
Balance carried forward	9,192	11,545

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of

	2009		2008	
	Provided £	Unprovided £	Provided £	Unprovided £
Excess of depreciation over taxation allowances	9,192	-	11,545	-
Tax losses available	-	3,763	-	3,763
	9,192	3,763	11,545	3,763

**11 CASH AT BANK**

	2009 £	2008 £
Bank and cash	13,011	-
Clients designated bank accounts	47,476	35,278
	60,487	35,278

Cash held in client designated bank accounts is restricted and is not freely available for the general purposes of the company

**12 CREDITORS: Amounts falling due within one year**

	2009 £	2008 £
Overdrafts	-	3,345
PAYE and social security	114,219	55,383
VAT liability	35,830	238,284
Other creditors	106,899	2,424,044
Accruals and deferred income	34,835	52,799
	291,783	2,773,855

**TRINFOLD MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2009**

**13 COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2009 the company had annual commitments under non-cancellable operating leases as set out below

	<b>Land &amp; Buildings</b>	
	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Operating leases which expire		
Within 2 to 5 years	<u>80,000</u>	<u>80,000</u>

**14 SHARE CAPITAL**

**Authorised share capital**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

**Allotted, called up and fully paid**

	<b>2009</b>	<b>£</b>	<b>2008</b>	<b>£</b>
	<b>No</b>		<b>No</b>	
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

**15 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES**

	<b>Share capital</b>	<b>Profit and loss</b>	<b>Total share-</b>
	<b>£</b>	<b>account</b>	<b>holders' funds</b>
		<b>£</b>	<b>£</b>
Balance brought forward at 1 October 2007	100	7,512,765	7,512,865
Profit for the period	–	1,264,409	1,264,409
Balance brought forward at 1 January 2009	100	8,777,174	8,777,274
Profit for the year	–	96,639	96,639
Balance carried forward at 31 December 2009	<u>100</u>	<u>8,873,813</u>	<u>8,873,913</u>

**16 ULTIMATE PARENT COMPANY**

The immediate parent company is The Sanctuary Group Limited, a company incorporated and operating in England. The ultimate parent undertaking and controlling party is Vivendi SA, a company incorporated in France.

The smallest and largest group in which the results of the company will be consolidated will be that headed by Vivendi SA, incorporated in France. Copies of its annual report in English may be obtained from

Vivendi SA  
 42 Avenue de Friedland  
 75380 Paris  
 Cedex 08  
 France